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76 Strikers Injured By Rubber Bullets Near Johannesburg

The Associated Press

JOHANNESBURG — Police officers and mine security guards fired rubber bullets at 700 black strikers Friday and injured 76, South African mine owners said.

The Anglo American Corp., the country's largest gold producer, said the strikers, armed with machetes and gasoline bombs, had thrown stones when the police and guards ordered them to disperse at the Western Deep Levels gold mine, west of Johannesburg. It said eight remained hospitalized, four in serious condition.

Cyril Ramaphosa, general secretary of the National Union of Mineworkers, put the figure of injured at 78, including seven hospitalized. The union said the strikers had been singing outside their residential hostel at the mine when the police were called in.

Of the six major mining companies, Anglo American has been the most seriously affected since gold and coal miners began striking Sunday in the largest wage-related work stoppage in South African history.

Anglo American mines produced 39.2 percent of South Africa's 638 tons of gold last year. Gold exports account for 60 percent of the nation's foreign currency earnings.

"Repeated attempts were made to disperse the crowd, but the group then advanced on the security forces, throwing stones, and were dispersed by firing rubber bullets," the company said in statement.

Peter Gush, head of the gold and uranium division at Anglo American, denied union accusations that the police were being used to break the strike.

"If striking workers behaved in a peaceful manner, security action would have been unnecessary," he said.

A union spokesman, Marcel Golding, said in response: "What is becoming clear to us is that Anglo is trying to portray a picture of [the union] as an organization involved in violence and intimidation.

"We totally reject this. There is no evidence to suggest that 340,000 miners have been intimidated to engage in strike action. All injuries to date have been caused by trigger-happy police and mine security."

More than 80 strikers were injured and, according to the union, 200 were arrested in previous incidents during the strike, which has also affected processing plants and refineries.

On Thursday, one striker was slightly injured when the police fired tear gas and rubber bullets at about 300 miners staging a sit-in at Anglo America's Ergo plant, east of Johannesburg. Twenty-three strikers were arrested.

Anglo American obtained a court eviction order Thursday after charging that the men had sabotaged machinery and had released five tons of sulfuric acid.

Anglo American said it planned to close one gold and one coal mine permanently, with the loss of 2,700 jobs, unless strikers returned to work by Monday. The company said the Western Holdings gold mine had been operating at a loss

See STRIKE, Page 5

Kiosk

Tunisia Blasts Called Warning

TUNIS (AP) — The recent explosions at four tourist resorts in Tunisia were a warning to the country's leaders, Tehran radio said Friday. Thirteen persons, including 12 tourists, were injured in the blasts.

Tehran radio, monitored in London, said, "The explosions that occurred in seaside hotels in Tunisia, which are dens of entertainment and loose behavior for tourists from Arab countries, constitute a serious warning to the Tunisian leaders and their Western supporters."

This 15th-century drawing can be seen in the current exhibition at the Royal Academy of Arts in London. Page 6.

Dow close: DOWN 6.06

The dollar in New York:

DM	£	Yen	FF
1.8785	1.5875	150.10	6.2765

Reagan in a Helicopter Scare

Agents Chase Small Plane After Close Call

By Lou Cannon
Washington Post Service

SANTA BARBARA, California — A small plane was involved in a near-collision with the helicopter carrying President Ronald Reagan to his ranch northwest of here, White House officials said.

They said Thursday that the pilot of the Piper Archer aircraft was detained after a 50- to 60-minute chase by another government helicopter. A passenger in the plane was also detained, United Press International reported.

[A White House official said Friday that the Federal Aviation Administration revoked the license of the Piper's pilot, The Associated Press reported from Santa Barbara.

[The license of Ralph W. Meyers of Lake Oswego, Oregon, was revoked for "careless and reckless operation of an aircraft" and for violating the restricted air space over Mr. Reagan's ranch in the Santa Ynez Mountains, said the presidential spokesman, Marlin Fitzwater.

[Earlier, the Secret Service said no criminal charges would be filed against Mr. Meyers. The pilot and his passenger were released after questioning.]

Colonel Michael Glenn, the pilot of Marine One, the president's helicopter, said he had viewed the incident as "very serious" and had notified the FAA immediately.

While the incident was officially classified as a "pilot near-miss," Mr. Fitzwater, who was in the helicopter, said Colonel Glenn did not believe a collision had been imminent.

Mr. Fitzwater said the small plane was observed by the control tower at the Santa Barbara airport flying about 100 feet (30 meters) over Mr. Reagan's ranch in restricted airspace.

Santa Barbara immediately radioed Secret Service agents on a helicopter known as Nighthawk Two, which was just landing at the ranch, Mr. Fitzwater said. The agents alerted Marine One.

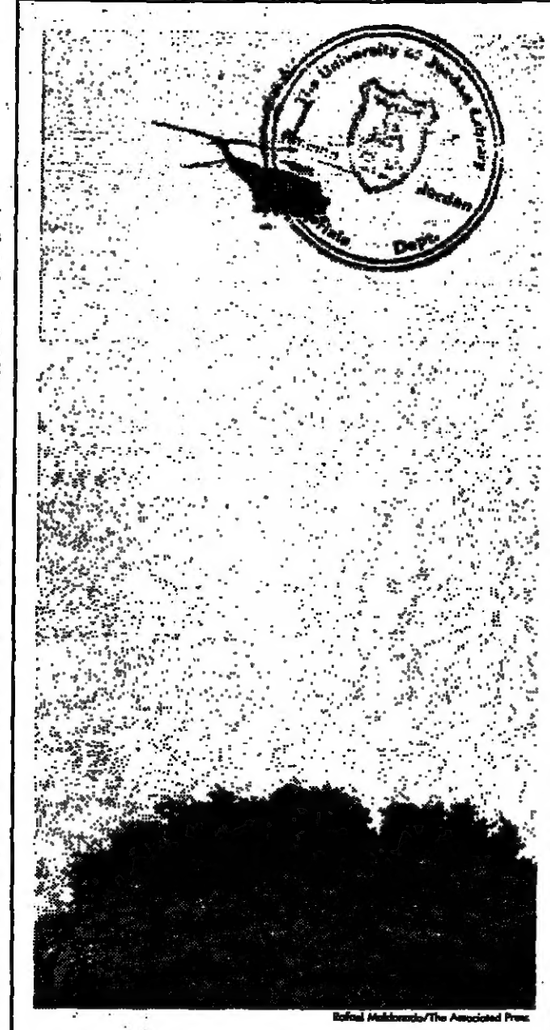
"The marine pilot initiated what he called a gentle climb and right-hand turn," Mr. Fitzwater said. "At this point the marine pilot saw the unknown aircraft. He was convinced he was not on a collision course."

He said that none of the passengers on the president's helicopter saw the plane. Among those aboard Marine One with the president and Mr. Fitzwater were the White House chief of staff, Howard H. Baker Jr.; Mr. Reagan's national security adviser, Frank C. Carlucci; and the president's physician, Colonel John E. Hutton Jr.

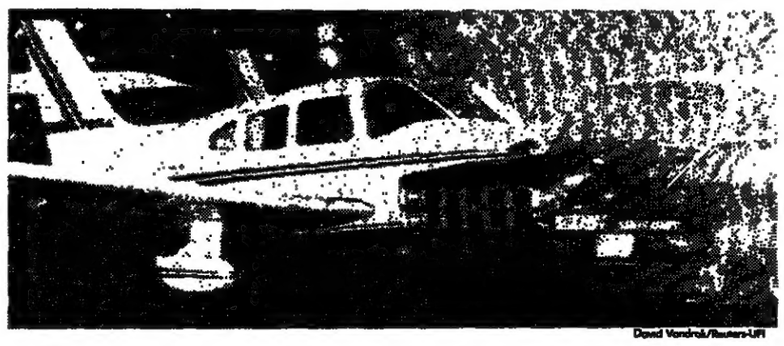
According to Mr. Fitzwater, the pilot said the plane was 200 to 300 feet away from Marine One horizontally and 150 feet below the helicopter at the point where they were closest together.

After Marine One landed, Secret Service agents alerted a White House staff helicopter, Nighthawk Three, piloted by Captain Mike Duva, which followed the airplane to John Wayne Airport in Orange County, more than 100 miles (160 kilometers) away, Mr. Fitzwater said.

The Piper Archer pilot was taken into custody after the plane landed there, according to Don Adams, a supervisor at John Wayne Airport.



Rafael Maldonado/The Associated Press



David Vondrak/Reuters-UPI

The president's helicopter, Marine One, above, landing at his ranch, and the Piper Archer plane, right, being guarded by sheriff's deputies at John Wayne Airport while the pilot was questioned. He was later released.

U.S. Gap In Trade Widens

Unexpected Rise In June Sends Dollar Tumbling

Compiled by Our Staff From Dispatches

WASHINGTON — The U.S. merchandise trade deficit widened to $15.71 billion in June, largely because of a $2 billion increase in imports, the government said Friday. The figure was an apparent monthly record and stunned government officials and analysts, who had been expecting the deficit to shrink to as low as $12 billion.

The announcement sent the dollar plunging from its strengthened position of recent weeks. The U.S. currency dropped sharply against the Deutsche mark and Japanese yen before recovering somewhat in New York trading. Stock and bond prices in New York and London also fell, although they later stabilized after the release of heartening U.S. data on wholesale prices and industrial production. (Page 9)

The deficit would have been even larger had the Commerce Department not instituted a new method of calculating trade with Canada. The department revised trade figures for January through June to reflect undercounting of U.S. exports to Canada, which had the effect of reducing the U.S. deficit in each month.

The June deficit before the revision for undercounting was $16.32 billion. That would have surpassed the previous record monthly deficit of $16.05 billion, set in July 1986.

The deficit for May under the new method was $14.04 billion, compared with $14.4 billion as originally reported.

"The June figure may well be a record, but we don't know that," said Adren Cooper, an analyst with the Commerce Department. "It's on a different basis."

If not the worst, the June deficit was unquestionably the second worst on record. Economists called it a major setback for hopes of a long-awaited trade turnaround.

"The trade deficit was a disaster," said David Wyss, chief financial economist for Data Resources Inc. "I still believe in the long run, we are turning around. But the silver lining is awfully hidden in this particularly dark cloud."

The Commerce Department said the June deficit was nearly 12 percent wider than that of May. For the first half of 1987, the trade gap was running at an annual rate of $163.9 billion; by comparison, last year's revised record deficit was $156.2 billion.

In the June figures, the United States once again ran its worst single-country trade deficit with Japan — $5.35 billion in the month, after $5.07 billion in May.

Leading the way in the total June trade deficit was a $2 billion surge in petroleum and other imports.

Imports of manufactured goods jumped by $1.4 billion, while those of petroleum products climbed by $541.7 million.

Total imports increased to

See TRADE, Page 13

Angola, Admitting Hunger Crisis, Asks Urgent Aid

By Blaine Harden
Washington Post Service

LUANDA, Angola — In a candid disclosure of widespread urban hunger and governmental failure to induce farmers to sell surplus food, the government has prepared its largest-ever request for international emergency assistance.

The request, to be presented to donors late this month, says that half of Angola's urban population, about a million people, "faces acute shortages of staple foods, a situation which may deteriorate into near famine conditions" beginning in September.

To feed urban residents as well as an estimated 690,000 displaced people in rural areas, the government is seeking 245,000 tons of food and other emergency aid worth $116 million.

A report on the food crisis, prepared by the government in cooperation with the United Nations, says the flow of food from farm to city has been "virtually halted" because of a lack of transport, disruptions of communications and "the near absence of marketing structures."

Despite the possibility of an improved corn harvest this year, the report says, the government does not have the necessary consumer goods to trade to the peasants for this surplus production.

Farmers refuse to sell their food for Angolan currency, which is nearly worthless. According to agriculture specialists, the farmers insist on bartering for goods such as clothing, hoes and soap that the government does not have the capacity to manufacture, the money to import or the means to transport.

A primary cause of this "severe emergency," according to the report, is the country's 12-year-old civil war with the National Union for the Total Independence of Angola, a rebel movement supported by the governments of South Africa and the United States.

Another cause of the food shortage is last year's collapse of world oil prices.

Oil revenue amounts to 90 percent of Angolan foreign exchange earnings. With the collapse of the Angolan farm economy in the 12 years since independence, the government has come to rely on oil earnings to buy imported food for city dwellers. Reduced oil income has cut in half the country's ability to feed these people, the report says.

A senior Angolan official said that the emergency aid request, by detailing the worsening human cost of the war with UNITA, was intended to embarrass the United

See ANGOLA, Page 5

India Broods at Age 40

Independence Day Points Up Despair As Problems Seem to Eclipse Progress

By Steven R. Weisman
New York Times Service

NEW DELHI — Forty years ago, Prime Minister Jawaharlal Nehru unfurled the flag of a new nation and spoke with hope of its "tryst with destiny." Today, Nehru's grandson, Prime Minister Rajiv Gandhi, governs an India shaken by violence and scandal, uncertain whether the years since independence have brought more problems than progress.

In recent weeks, anticipation of the anniversary of India's independence on Aug. 15, 1947, has unleashed an almost bitter outpouring of introspection and commentary. Little of it, aside from the official government pronouncements, suggests that India has anything to be proud of.

"As the nation prepares to celebrate 40 years of independence," Rajni Kothari, a leading civil liberties advocate, wrote recently in a newspaper column, "the picture of India that is emerging cannot please the heart of anyone, irrespective of which side of the barbed wire of security he or she is occupying."

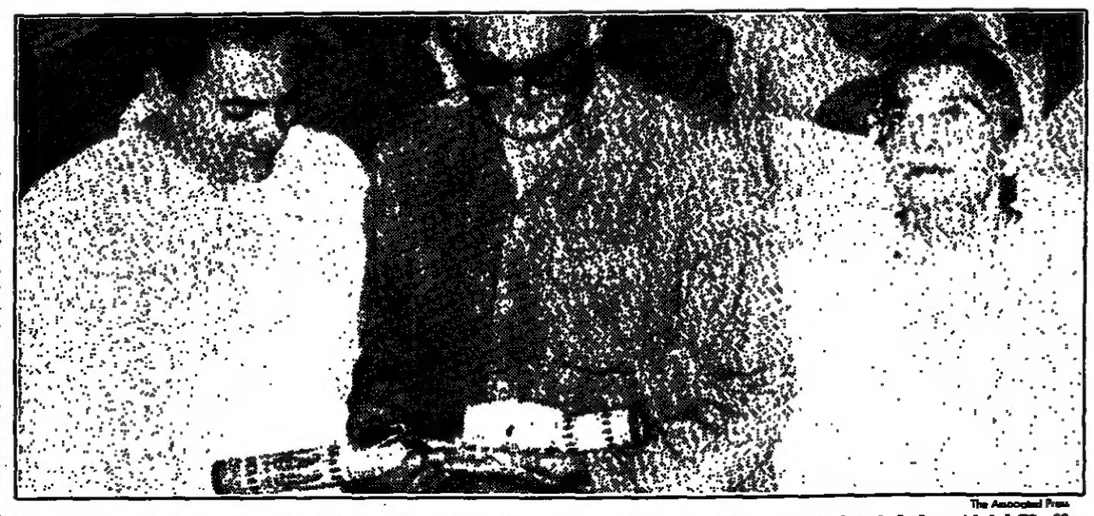
The comments of the intellectual elite seem mirrored in the attitudes of the public. Interpreting recent elections, political leaders say the public has become more discouraged than ever about the government's effectiveness, integrity and fairness.

For its anniversary issue, the magazine India Today sponsored a poll in which 10,000 people in affluent areas, slums, villages and farms were asked what Mohandas K. Gandhi would have thought of the country he led to independence if he were alive today.

Seventy-nine percent of the respondents said Gandhi, the apostle of nonviolence and humanitarianism, would be sad about the results.

The feeling of pessimism comes, paradoxically, at a time when many would say India has been one of the greatest national success stories in

See INDIA, Page 5



The Associated Press

Prime Minister Rajiv Gandhi of India with Abdul Wali Khan, center, a Pakistani opposition leader, and his sister, Mehr Taj, right, who accepted India's highest civilian award Friday in New Delhi on behalf of their father, Abdul Ghaffer Khan. The elder Mr. Khan, who is ill, fought for Indian independence in 1947 and was against dividing the country.

Managua Links Accord With Halt to U.S. Aid

By Stephen Kinzer
New York Times Service

MANAGUA — Nicaragua's vice president says the Sandinist government is ready to restore full press and political freedoms, but only if the United States ceases to aid the Nicaraguan rebels.

The statements by the vice president, Sergio Ramírez Mercado, were the first detailed comments by the Sandinists outlining their plans to carry out the accord signed Aug. 7 by five Central American presidents in Guatemala.

[In El Salvador, leftist rebels agreed to meet with the Salvadoran government next month to discuss the Central American peace plan, The Associated Press reported.]

The political changes that Mr. Ramírez said the Sandinists are preparing would be the most sweeping since they seized power in 1979. The peace accord requires democratization in all Central American countries and includes a "vehement exhortation" to outside powers to stop aiding rebel groups.

"If President Reagan says he supports the Guatemala agreement, but does not end aid to the counterrevolution, he is sinking the agreement," Mr. Ramírez said. "There cannot be peace if counterrevolutionaries continue their military activity and the United States keeps supporting them."

[Opposition leaders Friday urged the Sandinists to comply with the accord, but said they were pessimistic about the prospects for peace and democracy here, Reuters reported from Managua.

[The call for compliance came in a statement issued by the Democratic Coordinator, a loose alliance of opposition political parties, business figures and two independent labor unions.]

Mr. Ramírez said the Sandinist government had begun to determine precisely what kind of legal and other changes Nicaragua must accept in order to comply with the accord. He said the necessary legislation and decrees, including one allowing the reopening of the opposition newspaper La Prensa, would be ready for implementation on Nov. 7, the deadline imposed by the accord.

"We want the country to be at peace in 90 days," he said.

But he said the measures would

See ACCORD, Page 5

In Shadow of Bombings, Pakistan Marks Anniversary

Reuters

ISLAMABAD, Pakistan — Two bombs exploded in the provincial city of Peshawar on Friday, killing at least two persons as Pakistan marked the 40th anniversary of its independence.

The official APP news agency said one of the bombs exploded in the busy old quarter of Peshawar, capital of the North-West Frontier Province, killing two persons and wounding 13.

Authorities had toned down anniversary celebrations in the city out of respect for 13 persons who were killed in three bombing attacks in a nearby town on Tuesday. In an anniversary message, President Mohammed Zia ul-Haq expressed sympathy for the victims while the opposition leader, Benazir Bhutto, said there was little to celebrate.

Almost 100 people have died in recent weeks in a wave of unexplained attacks, which are widely believed to be linked to Pakistani support for Moslem rebels fighting the Soviet-backed government in Afghanistan.

Pakistan became independent at midnight Aug. 14, 1947. India has always celebrated its independence on Aug. 15.

U.S. Experts Doubt a Heterosexual AIDS Epidemic

By Robert Scheer
Los Angeles Times Service

ATLANTA — AIDS is not spreading at the anticipated rate among heterosexual Americans who do not use drugs, and officials at the Centers for Disease Control see no evidence that the disease will reach epidemic proportions, except among homosexuals and intravenous drug users.

As a consequence, there is a growing consensus among leading medical scientists in the United States that the threat of acquired immune deficiency syndrome to the wider population, while serious, has been exaggerated.

Doctors who share this view base their conclusions on recent reviews of statistical data, which show far fewer cases among American-born heterosexuals than earlier epidemiological predictions had suggested.

Moreover, according to the Centers for Disease Control, more careful study of widely publicized instances of heterosexual transmission — such as those reported among army recruits — has found them to be unreliable.

Studies by the centers also show that in areas such as California and New York, where AIDS is epidemic among homosexuals and drug users, "very little crossover to the mainstream heterosexual population has occurred," said Dr. Harold W. Jaffe, the centers' chief of AIDS epidemiology.

"We don't need to panic about heterosexual transmission," said Dr. Robert C. Gallo, a National Cancer Institute researcher who was a co-discoverer of the AIDS virus. "It's not going to run rampant."

"Our greatest danger by far in this country," he added, "is the drug addicts."

Most of the health professionals monitoring the course of the disease hold government jobs, and many were reluctant to discuss the spread of AIDS among heterosexuals for fear of contradicting statements by their political superiors.

A number of specialists who asked that they not be identified said that the potential for heterosexual spread was being exaggerated to obtain increased governmental funding.

"If this wasn't seen as a heterosexual problem, the money wouldn't be there for research," said one top federal doctor working on AIDS.

Another federal physician put it more bluntly: "The people who are spending the money basically don't care if a bunch of gay men and drug abusers get AIDS."

AIDS remains primarily an affliction of homosexual men augmented by intravenous drug users, most of the latter in the New York-New Jersey metropolitan area.

The disease can be passed through heterosexual intercourse, and all of those interviewed stressed the importance of safe-sex practices, such as using condoms. But they also believe that AIDS is not likely to reach epidemic proportions through this route because of the apparent difficulty of female-to-male transmission.

Among the 40,051 AIDS cases recorded in the United States, there are only 174 males, excluding immigrants from Haiti and Africa, who have been reported to the Centers for Disease Control as having contracted AIDS through heterosexual sex.

Earlier fears of rampant spread of the disease through heterosexual activity, as has been the case in central Africa and

See AIDS, Page 5

BA Places £500 Million Boeing Order

By Warren Getler
International Herald Tribune

LONDON — British Airways PLC said Friday it had placed a firm order for 11 Boeing 767-300 jetliners with a total value of £500 million ($789.5 million).

BA said the Boeing order includes options on 15 767-300s, a 250-seat, twin-engine jet designed for medium- to long-range use. If all the options are exercised, the 767 package would be worth more than £1.2 billion.

An option on aircraft reserves the customer a place in the manufacturer's production schedule.

At the same time, BA said it had postponed to early 1988 a decision on whether to purchase long-range jets from McDonnell Douglas Co. of the United States or Airbus Industrie, the European consortium.

In addition, British Airways said it had placed firm orders for three smaller Boeing 757 jets, with a combined value of £65 million.

A year ago, BA said it had ordered 16 Boeing 747-400 jets in a transaction valued at $2.3 billion, which Boeing Co. described then as its biggest civilian order ever.

BA said the availability of Rolls-Royce PLC's RB211 engines to power the 767-300s helped clinch the deal for Boeing over a rival bid from Airbus for its A-300-600.

On the long-range jets, BA's chairman, Lord King, said Airbus had made a competitive proposal this week to sell its proposed four-engine jet, the A-340. He said British Airways would decide next year whether to buy the McDonnell Douglas MD-11 or the A-340.

U.S. Navy Learns Pitfalls Of Protecting Gulf Lanes

Mined Channel Could Be Avoided By Sailing in Iran's 'Exclusion' Area

By Bernard E. Trainor
New York Times Service

WASHINGTON — As the U.S. Navy is finding out, protecting shipping in the Gulf is no easy task. Kuwaiti tankers flying the American flag entered the Gulf last month with a naval escort prepared to cope with air attacks and suicide boats, only to have one of the ships unexpectedly fall victim to an aged mine planted in a narrow shipping channel.

There is no easy solution to safeguarding commercial shipping in the Gulf as long as Iran and Iraq consider the Gulf a war zone and see an advantage in attacking shipping associated with the other side. Each side has drawn lines and established zones to govern the movement of shipping to its advantage.

NEWS ANALYSIS

The Iraqis have declared the northeastern waters of the upper Gulf a prohibited war zone, warning that they will attack all vessels in that zone above 29 degrees 30 minutes north latitude. That zone includes Kharg Island, Iran's principal oil transshipment point and the target of many Iraqi air raids.

The line that the Iranians have drawn is more ambitious. Its "exclusion zone" runs the length of the Gulf about 40 miles (65 kilometers) from the Iranian coast. The Iranians have declared these waters a war zone and they warn all shipping headed for non-Iranian ports to sail west of that line.

Unlike Libya and its claim to the Gulf of Sidra, which the United States has challenged, Iran views its exclusion zone as an interim wartime measure. Like many coastal nations, Iran claims a 12-mile limit. The United States recognizes three-mile limits but normally does not challenge a 12-mile claim.

Law of the sea experts say a belligerent state may declare a "zone of danger" through which neutral vessels operate at their own peril, providing international waterways are not closed. The main shipping channel through the Gulf runs west of the Iranian exclusion zone and remains open.

Gulf shipping, including the Kuwaiti tankers under American naval escort, honors the Iranian zone and stays outside it. By so doing, however, shipping to Kuwait is confined to a narrow channel two-thirds up the Gulf in the vicinity of Farsi Island. The island, which is Iranian, is on one side of the channel while shallow water borders the other.

It was in this narrow channel — about two miles wide — that the supertanker Bridgeton hit a mine presumed to be Iranian while under U.S. Navy escort last month.

Future convoys could avoid this easily mined passage by sailing through deeper waters and a wider channel east of Farsi, but that would bring the ships into the Iranian exclusion zone. Such a move would reduce the mine threat but it would not eliminate it because randomly planted mines would still pose a hazard.

More importantly, transit of the Iranian zone could be seen as a deliberate challenge to Iran and could lead to confrontation if Tehran decided to respond with air and suicide-boat attacks against tankers and escorts.

The navy feels confident it can deal with Iranian attacks at sea, even in Iranian waters, but government officials declined even to discuss crossing the Iranian exclusion line, saying that the issue was too sensitive.

Naval officers in the Pentagon said the mine threat off Farsi was a one-time surprise and the recent steps taken to improve mine countermeasures in the Gulf would soon make the idea of an alternate route moot.

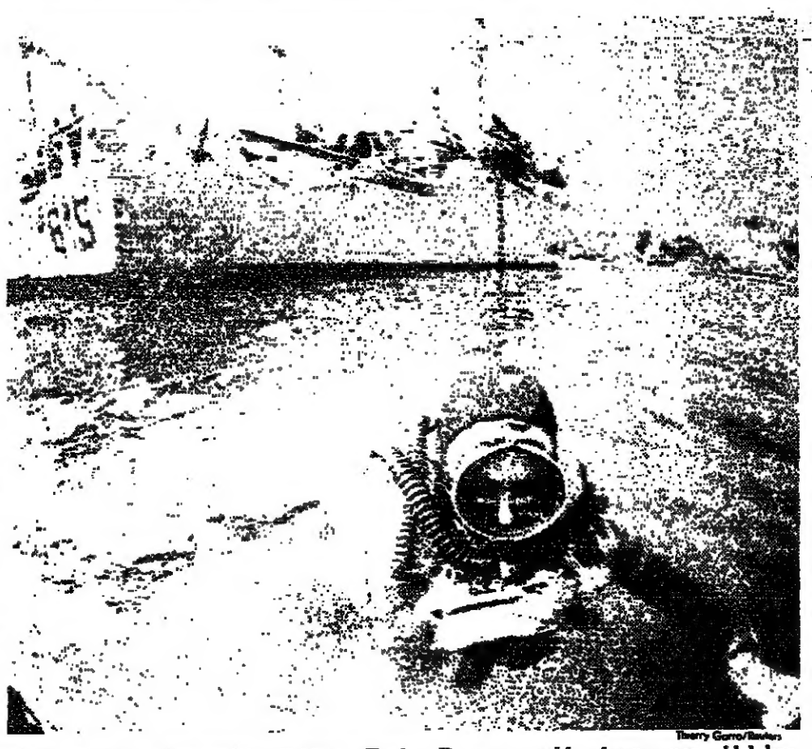
Even though Iran and Iraq have both delineated war zones in the Gulf, they bear only a loose relationship to the sites of attacks.

The Iranian exclusion line drawn to keep out foreign shipping not dealing with Iran has had the unintended effect of delineating a free-fire zone for Iraqi aircraft, which attack ships they find inside the zone.

The air attack on the U.S. frigate Stark in May took place when an Iraqi pilot reportedly made a navigational error and thought he was attacking a ship inside the Iranian exclusion zone.

The Iranians have carried out most of their acknowledged attacks on shipping in the lower Gulf and have primarily targeted ships dealing with Kuwait, which is the main entry point for war materiel being shipped to Iraq.

The spate of mining widely attributed to Iran has been undertaken successively on the sea lane into Kuwait, in the narrow channel west of Farsi Island and most recently outside the Gulf, off the coast of Oman, where ships frequently anchor.



Thierry Gerro/Reuters

A French Navy diver training Friday at Toulon, France, near his minesweeper, which has been ordered to sail to the Gulf. France and Britain are sending minesweepers to the area.

U.A.E. Says Mines Are Cleared But Shippers React Cautiously

The Associated Press

MANAMA, Bahrain — Ships kept clear of the main anchorage off Fujaira on Friday despite assurances from the emirate's authorities that it had been cleared of floating mines, shipping executives said.

Coast guards from the United Arab Emirates and Oman, supported by a Saudi Arabian minesweeper, scouted the waters in the vicinity of the Strait of Hormuz, the sole access to the Gulf.

The U.S. Navy reportedly was checking farther out in the Gulf of Oman.

The Iranians, accused by the United States of responsibility for the appearance of mines in the area, were poised for minesweeping "maneuvers" in unspecified parts of the international waters.

In Tehran, the Iranian leader, Ayatollah Ruhollah Khomeini, said, "What the Americans are doing is nonsense." He added: "Islamic holy warriors will punish them."

The ayatollah also blamed the United States for the violence July 31 in Mecca that killed hundreds of pilgrims. The speech was shown on Iranian television, monitored in Cyprus.

In Fujaira, an official at the harbor-control office said by telephone, "It's all normal, and there are no more mines."

He was reiterating the statement issued late Thursday by Colonel Saeed Samssoum, the Fujaira police chief, ending a daylong exclusion zone in the 35-square-mile (90-square-kilometer) area where ships of various nationalities anchor before they take the trip through the strait and up the Gulf.

Colonel Samssoum said two mines had been located and detonated, and a thorough combing of the emirate's coastal waters showed the threat no longer existed.

The port official, who spoke on condition his name not be used, denied reports that as many as six more mines had been spotted in the Gulf of Oman.

"One suspect object that was spotted in Oman's territorial waters turned out to be the hump of a floating dead camel," he said. "From a distance, the objects are not clear and everyone has been jittery. I think someone even reported a person swimming as a suspect mine."

However, executives at shipping agencies in the region said they remained skeptical.

"I cannot believe we are through with the mines," said a Western shipping executive based in Saudi Arabia. "They seem to be everywhere, inside the Gulf, outside the Gulf. I think what the Fujairaport people are saying is that at the moment there are no mines in their waters."

While tankers were forced to call to the main Saudi oil terminal at Ras Tanura in the Gulf, he said, cargo vessels to other Saudi Gulf ports were being diverted to Jidda on the Red Sea for overland distribution around the kingdom.

Pentagon officials said the Guadalcanal, an assault ship carrying eight minesweeping Sea Stallion helicopters, would not arrive in the region for another week.

In Paris, the Defense Ministry said Friday that three French minesweepers, one more than previously announced, would sail next week for the Gulf region.

Tiny Gulf Emirates Fear the War's Spread

By John Kifner
New York Times Service

MANAMA, Bahrain — The tiny emirates of the Gulf, shimmering new fantasy cities built on the sands by oil money, are gripped by fear of the spreading danger in the Iran-Iraq war, now seven years old.

American, British and French ships are converging on the Gulf, where mines and Iranian speedboats menace the oil tankers that brought wealth.

And the recent violence in Mecca during the Islamic pilgrimage, which left at least 400 people dead, many of them Iranians, reawakened the seventh-century schism in Islam that dominates life here.

"Twenty years ago we were in the Middle Ages," said Tariq Almoayed, Bahrain's minister of information. "Oil wealth has brought us progress, education, modernity. Now, all is threatened by the fighting among our neighbors. It is a dangerous time."

The mood of nervousness and tension builds with each day's news. On Wednesday, a Saudi Coast Guard vessel hit a mine in the northern end of the Gulf, and two crew members were slightly wounded.

At the same time, the United Arab Emirates' coastal defense force lost track of one of three floating mines that had been detected in a formerly safe haven outside the Gulf.

The mine was somewhere among 60 ships anchored off Fujaira, where on Tuesday a loose mine damaged an American-operated, Panamanian-registered tanker. The vessel, the Texaco Caribbean, was carrying Iranian oil.

"To say that the latest developments relating to the Iran-Iraq war have increased the threat of a wider conflict, possibly even involving big powers, is to grossly underestimate the dangers facing this region," an English-language daily in Dubai, the Khaleej Times, said in an editorial the morning after the Texaco Caribbean was damaged. "The Gulf situation is rapidly sliding toward what could be a point of no return."

> 'Oil wealth has brought us progress, education, modernity. Now, all is threatened by the fighting among our neighbors. It is a dangerous time.'
>
> — *Tariq Almoayed*
> *Bahrain's minister of information.*

It was on this 30-mile-long (48-kilometer-long) island, 10 miles wide at its broadest, that oil was first discovered on a peak called Jebel Dukhan, all of 400 feet (120 meters) high.

It was the precursor of wealth in the Gulf emirates — Bahrain, Kuwait, Qatar and the United Arab Emirates, which comprises the sheikhdoms of Abu Dhabi, Dubai, Sharjah, Umm al Quwain, Ajman, Fujaira and Ras al Khaima.

Until midcentury, the emirates — emir means prince or leader in Arabic — were nothing more than mud-walled forts protecting a trading post and an occasional collection of black goat-hair tents of visiting Bedouins.

The oil money, particularly in the boom years of the 1970s, brought the major emirates an explosion of glass skyscrapers, international hotels and shopping malls in place of bazaars.

In an air-conditioned mall behind the Sheraton Hotel, perfumed in the evening by incense at traditional stands, a men's shoe store displays a selection of black patent leather sandals, presumably for wearing with the white gown called variously a *dishdasha* or *thobe* at what would be black-tie occasions in other places.

Bahrain, for centuries a seafaring and trading society, prides itself on being the most cosmopolitan, worldly nation in the Gulf region. It is flanked not only by Ayatollah Ruhollah Khomeini's Shiite fundamentalism to the north but also by the strict Sunni Wahabbi doctrine of Saudi Arabia to the west.

Sophisticated Bahrain established itself as a banking and communications center in a region newly rich but insular, suspicious of foreigners. Now, with banks cutting back, the new hotels underbooked and foreign workers leaving because of what has been a worldwide oil glut, financial experts say the economic difficulties will be compounded by uncertainties of the war and tensions from the Mecca riots.

"We have lived with this war for seven years," said a young government official the other night, sipping a cold American beer, a taste threatened by the Islamic fundamentalist tide. "But now everybody can see it is really bad. Now we have all these navies coming in. It is a very dangerous situation. All it would take to create a confrontation is one crazy, and they have so many in Iran."

Perhaps more important than the immediate dangers in the Gulf waters is the historic split between the mainstream Sunni branch of Islam, the faith of the rulers of the emirates, and the Shiite branch, a messianic faith of the downtrodden, tending to martyrdom.

Shiism is the religion of many not only in Iran but also in Lebanon, Iraq, Kuwait, the oil-producing province of Saudi Arabia and in Bahrain, where they constitute 70 percent of the population of 300,000 citizens and 100,000 noncitizens.

This overwhelming majority, silent because of an extremely effective internal security network, represents a kind of standing threat to the rule of the traditional Sunni Moslem tribal chieftain, Sheikh Issa, the 10th emir of the al-Khalifa family since Arab Bedouins expelled the Persians from Bahrain in 1783. The sheikh is widely respected by Western diplomats and other Arab rulers.

In Kuwait to the north, a Shiite minority of about a third of the population has spawned an underground resistance that has begun to plant bombs in the wealth-producing oil fields and to call for the overthrow of the al-Sabah family, which is Sunni and has ruled since 1756. In 1981, security forces arrested 60 Shiites, reportedly trained in Iran, for trying to overthrow the government.

The Shiite population in Bahrain is divided between ethnic Arabs, who live mostly in small villages scattered around the island and are relatively poor farmers, and a smaller but important group of Persian origin, wealthy merchants and traders in Manama, the capital. Many of these still speak Persian at home, although the families might have lived in Bahrain for three or four generations.

Iranian and Saudi television can be received in Bahrain, as in most of the Gulf, and each side conducts a diplomatic and propaganda campaign to give its side of the Mecca violence.

"The violence will have a polarizing effect," a Western diplomat said. "People will tend to see it through a sectarian prism. That is inevitable."

WORLD BRIEFS

New Zealanders Voting for Parliament

AUCKLAND, New Zealand (UPI) — Prime Minister David Lange's Labor Party faces voters in a federal election Saturday as he seeks to gain another three-year term on pledges to keep New Zealand nuclear-free and to maintain free-market economic policies.

A public opinion poll released Thursday by Radio New Zealand and the National Business Review showed the party's lead dwindling to less than 4 percent over Jim Bolger's National Party, a drop of three percentage points from a similar survey three weeks earlier.

The poll predicts, however, that Mr. Lange's party will hold on to key marginal seats and win the election, but possibly with a reduced majority in Parliament. The non-compulsory voting is in the British style, with the candidate capturing the most votes winning the seat. It is possible, therefore, for a party to win a majority of the seats but fail to win a majority of the popular vote.

The Labor Party currently has 56 seats in the 97-member Parliament, while the National Party has 39 and the Democratic Party two. A total of 2.1 million people, in a population of 3.3 million, are eligible to cast ballots for 424 candidates.

China and India Pulling Back Troops

AGARTALA, India (Reuters) — India and China have begun withdrawing troops from the Himalayan border region, according to Indian Army intelligence officials.

India has undertaken "partial demobilization" of its forces in its northeastern state of Arunachal Pradesh, where India says Chinese troops have made repeated incursions across the border, the officials said Thursday.

They said the withdrawals had been made in the disputed Sumdorong Chu valley, where China constructed a helicopter pad last year in a sector claimed by India. The Chinese also have reduced their troop strength, the officials added, but they could not confirm that the heliport had been dismantled.

Shamir Fighting for Lavi Jet Project

JERUSALEM (AP) — Prime Minister Yitzhak Shamir will ask the cabinet to approve continuing the costly Lavi jet project despite U.S. opposition, his spokesman said Friday. "He rejects any attempts at American pressures," said the spokesman, Yossi Ahimeir. "The decision must be Israeli."

Foreign Minister Shimon Peres, a political rival of Mr. Shamir, also said he would vote in favor of the Lavi, which has been developed largely with U.S. military aid. The United States is urging Israel to drop the project, which is running far over budget. The original estimate of $15 million to $18 million a plane has risen to about $68 million.

The Israeli media report that the cabinet seems split on the issue, on which it is to vote Sunday. Defense Minister Yitzhak Rabin, Finance Minister Moshe Nissim and most military chiefs oppose the project, saying it could endanger Israel's shaky economy and cripple its military budget.

Attack on Ex-Egyptian Minister Fails

CAIRO (AFP) — A former Egyptian interior minister and opponent of Moslem extremism has survived an assassination attempt, in the second murder bid against an ex-interior minister in three months, the official Middle East News Agency reported Friday.

Mohammed Nabawi Ismail was on the balcony of his apartment in the Cairo suburb of Mohandessin when four attackers fired at him late Thursday, the agency said. The report said the attackers escaped after fire was returned by Mr. Ismail's bodyguards.

Mr. Ismail was appointed by President Anwar Sadat to lead a crackdown on extremists after Christians and Moslems clashed in Cairo in 1981. After Sadat was assassinated that year, Mr. Ismail's successor, Hassan Abu Basha, led a crackdown on Moslem fundamentalists. In May, Mr. Abu Basha was shot and seriously wounded in Cairo. He is still being treated.

Afghan Insurgents Shoot Down Plane

MOSCOW (AP) — Afghan rebels using a U.S.-made Stinger missile have shot down a Soviet-built transport plane, killing the 12 persons aboard, Tass reported from Afghanistan.

The Soviet news agency, quoting Afghanistan's Bakhtar News Agency, said the Afghan Antonov-26 was hit Thursday over the Dera-Mangal region as it flew between Kabul, the capital, and the city of Khost near the Pakistani border.

Tass said all seven passengers, including two children and five crew members, were killed. It did not say whether there were any survivors. Tass did not explain how Afghan authorities knew the plane had been shot down with a Stinger missile.

For the Record

Laos has agreed to renew efforts to resolve the question of U.S. servicemen missing in action since the end of the war in Indochina, according to a joint statement released Thursday following three days of talks between U.S. and Laotian negotiators in Vientiane. *(WP)*

Kidnappers in Beirut have released Victor Kano, head of the Lebanese and Jordanian branches of the Lion's Club International charity organization, after holding him for 11 months, police said Friday. *(Reuters)*

Two persons were injured and about 1,000 had to be evacuated from a resort near the town of Kraljevo, about 75 miles (120 kilometers) south of Belgrade, after an earthquake struck the area Friday, the Tanjug news agency said. *(AP)*

Irish police have begun an investigation to determine how a secret police report on security arrangements for a the vacation trip by Nicholas Fenn, the British ambassador in Dublin, ended up in the hands of the Irish Republican Army, which leaked it to a radio station. *(AP)*

TRAVEL UPDATE

A Belgian court has issued an injunction barring a strike by 441 pilots and cabin crew members working for Sabena, the Belgian national airline, and the strike scheduled for this weekend has been called off, a Sabena spokesman said Friday. *(Reuters)*

Corrections

A dispatch in the Herald Tribune of Aug. 11 about Leningrad's annual fur auction misidentified the purchaser in one transaction. The top bundle of sable, 70 furs at $1,000 apiece, was bought by Donald Springer, a New York furrier, not by a Hong Kong businessman.

An article in the Friday Travel section incorrectly reported the status of London European's route plans. The airline has filed for licenses to fly to Frankfurt, Düsseldorf, Vienna, Paris, Nice, Zurich, Belfast and Glasgow.

Teen-Age Soviet Criminals Face Harsh Environment

Reuters

MOSCOW — A Soviet newspaper, giving a rare account Friday of labor camp conditions for juvenile offenders, described outbreaks of diseases and teen-agers being forced to work long hours at tedious jobs.

Sovetskaya Rossiya, describing a camp in the Leningrad area, said inmates included one teen-ager serving five years for killing a man and stealing a truck and another serving seven years for stealing 43,000 rubles ($67,000).

It quoted the camp's deputy head for political education, Alexander Sukalo, as saying: "We try to re-educate them and to train them to work and to think what a person's business should be, to build, and not to destroy. But some — and we do have them here — we must teach to wash themselves, to sleep on a bed sheet, to change their underwear once a week and how to hold a spoon in their hand."

The article said inmates suffered outbreaks of diseases and were forced to work seven days a week in order to meet state targets for making screws, bolts and other items.

It quoted a senior camp official, Colonel Alexander Sedov, as saying he knew the conditions were difficult. "But forgive me," Colonel Sedov said, "we are running a prison, not a resort."

Fires Kill 1,524 in China

The Associated Press

BEIJING — Fires in China killed 1,524 people, injured 2,345 and caused losses worth 680 million yuan (nearly $184 million) in the first half of 1987, the official Xinhua News Agency said Friday.

هكذا من الأصل

Norwegian Is Proposed To Fill Top NATO Post

Reuters

BRUSSELS — Former Prime Minister Kare Willoch of Norway has formally been proposed by the Norwegian government as a candidate for the post of NATO secretary-general, a NATO spokesman said Friday.

Mr. Willoch, 58, a conservative who was prime minister from 1981 to 1986, is the first publicly confirmed candidate to succeed Lord Carrington, who plans to retire from the North Atlantic Treaty Organization post in June.

"He is a great Atlanticist," a NATO diplomat said of Mr. Willoch. "He has been head of government and he is known as having a big interest in defense issues."

Another point in Mr. Willoch's favor is that he was seen as a trusted ally of the United States when he was prime minister.

NATO diplomats stressed, however, that the search for a successor to Lord Carrington was still in its early stages.

Manfred Wörner, the West German defense minister, and Leo Tindemans, the Belgian foreign minister, also are believed to be candidates, among others.

"Willoch publicly throwing his hat into the ring means that others have to make up their minds pretty quickly over whether they are going to step into the race as well," a NATO official said.

A decision on Mr. Willoch could be made in December at a scheduled meeting of alliance foreign ministers, officials said.

Lord Carrington, 68, is sticking by an early pledge to serve only four years.

Officials say the next NATO secretary-general would take over at a delicate moment, as the alliance maps out plans to reshape its nuclear deterrent in light of U.S.-Soviet arms control moves.

If, as expected, the superpowers sign an agreement banning intermediate-range nuclear missiles this year, the new secretary-general would have to steer potentially tricky debate over future nuclear strategy, officials say.

The secretary-general's term is open-ended. The post traditionally is held by a European because an American always occupies the military post of Supreme Allied Commander in Europe.

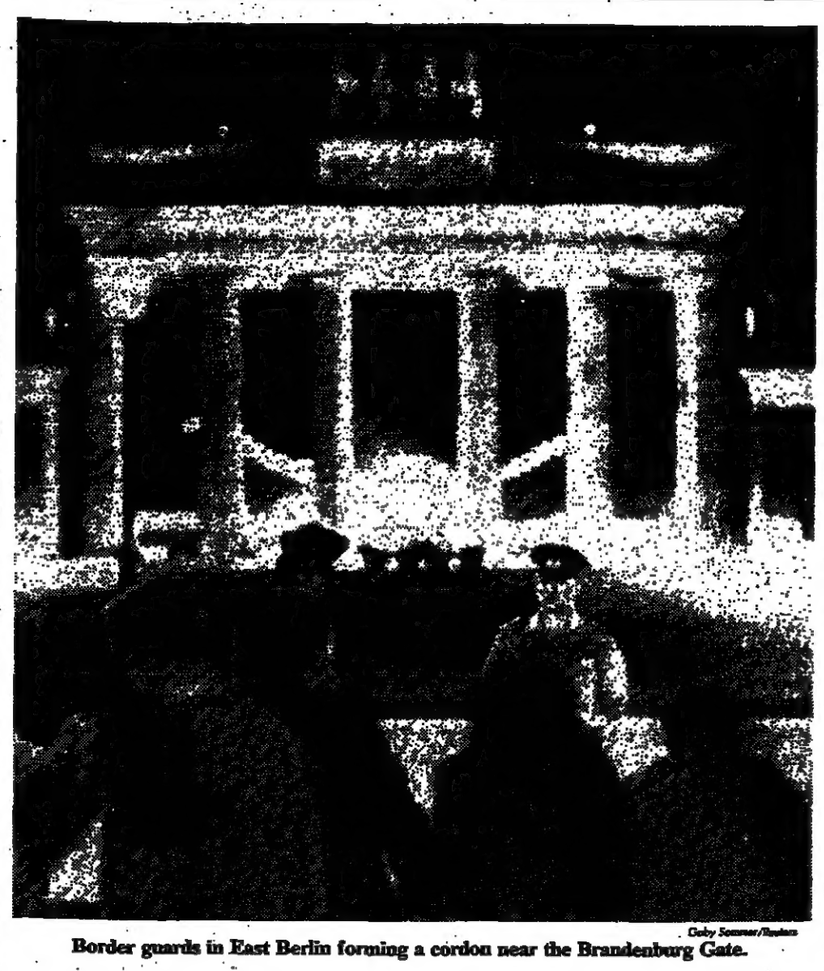
Two Britons, including Lord Carrington, have held the post. The Netherlands also have provided two secretary-generals, and Belgium and Italy have each contributed one.

Diplomats said the idea of having a secretary-general from Norway might appeal to other smaller NATO members, who often have complained that alliance positions are decided behind the scenes by the bigger members.

Diplomats say that Mr. Wörner, 52, also would be a strong contender if he won the backing of the Bonn government.

But Mr. Wörner's initial opposition to a superpower accord on eliminating both medium- and shorter-range missiles, now supported by NATO, weighs against him, some diplomats say.

The chairman of NATO's military committee, General Wolfgang Altenburg, is also a West German and diplomats say some allies would not approve of one nation occupying two senior alliance posts.



Gaby Sommer/Reuters

Border guards in East Berlin forming a cordon near the Brandenburg Gate.

East Berlin Detains 12 After Protest Marking 26th Anniversary of Wall

Compiled by Our Staff From Dispatches

BERLIN — Authorities in East Berlin took into custody about a dozen people out of a crowd of 300 *who rallied to protest the Berlin* Wall, witnesses said Friday.

During the protest Thursday night, members of the crowd chanted, "The wall must go."

Later a man ran up to the western side of the concrete wall, *doused it with a flammable liquid* and set the liquid ablaze.

Thursday was the 26th anniversary of the day that East Germany started construction of the wall.

East German authorities made no official statements about the *protest near the Brandenburg Gate* in East Berlin.

Witnesses, who requested that they not be identified, said they saw police taking about a dozen people into custody. The fate of the detainees was not known.

The witnesses said most of the protesters were young people. Many appeared to have been drinking heavily before the protest, the witnesses said.

The witnesses and West Berlin *police reported that the protesters* shouted: "Berlin, Berlin, the wall must go" and "Murderers."

Police said the demonstrators could be heard clearly in West Berlin, about 300 meters away. The East Berlin crowd was apparently *given encouragement by a small* group of people on the western side who echoed the shouts from the east.

Scuffles broke out on the eastern side when an elderly man wielding a stick denounced the youths and *defended the building of the wall,* at which more than 75 East Germans have been killed while trying to cross to West Berlin.

"You have the comrades here to thank that you can live in peace," he shouted, pointing towards the green-uniformed border guards. The crowd jeered and a youth knocked the man to the ground. Eventually he walked away, pursued by angry youths.

The witnesses in East Berlin said *that, in spite of the arrests,* East German police made an effort to remain in the background, apparently to avoid clashing with the demonstrators.

A West Berlin police spokesman said the East Berlin demonstration *broke up about an hour before* midnight.

Shortly after midnight, in West Berlin, the police arrested a man who, they said, set the fire at the wall. Two persons suspected of being his accomplices were also taken *into custody.*

East German firefighters quickly put out the blaze, and the three suspects were arrested soon thereafter.

A West Berlin police spokesman said the three could be charged with disturbing the peace and destroying property. *(AP, Reuters)*

Chad's Desert Weapon: Fast Pickup Truck

By James Brooke
New York Times Service

NDJAMENA, Chad — Speed and agility helped Chad's lightly armed desert fighters last week to rout 1,000 Libyan soldiers stationed in a disputed border strip.

In the first detailed accounts of the battle, Chadians and diplomats in Ndjamena described how Chadian fighters destroyed a Libyan column of 300 men, then swept into the village of Aozou through unexpected routes.

Expecting an attack from the south on the only road through the Tibesti Mountains, the Libyans are said to have mined the road and then defended it with cumbersome Soviet-made T-55 tanks.

But on Saturday morning, the Chadians annihilated a Libyan column about 40 miles *(65 kilometers)* southeast of Aozou, near Omchi, according to the account. Then the Chadians are said to have raced their Toyota light trucks through little-known mountain passes, following dry river beds.

Their faces wrapped *in cloth* against the sand, the Chadians swept into Aozou from the north and east.

"They just blew in real fast, hell-bent for leather — God help anything that got in their way," one Western diplomat said Thursday.

In response, the Libyans have bombarded Aozou daily since their defeat. On Thursday, the Chadian radio announced that the bombing had burned a large part of Aozou, a date-palm oasis that had a peacetime population of 2,000.

The Libyans are said to have lost 650 men, while Chadian losses were officially put at 17 dead and 54 wounded. Western diplomats in Ndjamena say Chad accurately reports Libyan casualties but often understates its own.

A few Libyan survivors are believed to have made it across 50 miles of desert to Libya's last base in Chad, also called Aozou, which straddles the generally recognized Libya-Chad border.

On Thursday, the Chadians listed their booty: 111 military vehicles captured and more than 80 military vehicles destroyed.

"We know it's better to have a good Toyota than a T-55," said Ahmed Moussa-Mi, chief of staff to President Hissène Habré.

Mounted with French-made Milan anti-tank missiles, the Toyota pickups have proved to be the key to Chad's victories this year.

"The Toyotas move so fast that the Libyan gunners could not track them — they could not move their turrets fast enough," the Western diplomat said.

The Chadians also used a tactic that few other armies would dare to try. Two Chadian vehicles would race toward a Libyan tank from opposite directions, firing missiles. In practice, a Chadian missile occasionally has missed, blowing up one of Chad's own vehicles.

The Chadian army is largely made up of northerners, many of whom have an intimate knowledge of the battlefield.

"Why did the Chadians win the war?" asked another diplomat. "They respected the laws of the Sahara."

"The Libyans stayed in one place," he continued. "They used heavy armor. They dug in. They almost died of the heat."

France is Chad's main arms supplier, giving by some estimates $70 million in military aid so far this year. France has also stationed troops and air units in southern Chad to keep the Libyans, who once occupied much of the northern part of the country, from moving south of the 16th parallel.

On Thursday, military analysts in Ndjamena focused their attention on Aozou base, Libya's last toehold in the disputed area. Every day since Saturday, MiG jets have roared down the base's quarter-mile runway, taking off on bombing missions over northern Chad.

The base, which is believed to hold 2,000 troops, is protected by a big belt of land mines. At its closest, this perimeter is about three miles from the runway — enough distance to allow the MiGs to climb out of range of the Chadians' shoulder-held Redeye and SAM-7 ground-to-air missiles.

Libyan Attack Reported

Reuters

NDJAMENA, Chad — Libyan troops launched a ground attack Friday on the town of Aozou in a disputed border region but were driven back, the Chadian armed forces announced.

The Aozou strip was recaptured by Chad last weekend after 14 years under Libyan control, but Chad has reported daily Libyan air raids on the Aozou region and northern Chad in retaliation.

The Chadians said their thrust into the strip last weekend was in response to Libyan advances into Chad through the Tibesti Mountains. Libya has said it is determined to recapture the border strip.

Responding to Lawyer, France Insists Iranian Translator Is Not a Diplomat

By Julian Nundy
International Herald Tribune

PARIS — The French authorities Friday ruled out any compromise in the case of Wahid Gordji, an Iranian official at the center of the recent break in French-Iranian relations who took refuge in his country's Paris embassy to avoid a court summons.

The French Foreign Ministry issued a statement stressing that Mr. Gordji, 27, officially registered as a translator at the former Iranian Embassy in Paris, did not have any diplomatic status or privileges.

The question of Mr. Gordji's exact status was raised by Jacques Vergès, a lawyer and constant gadfly of the French establishment. He said that "friends" of Mr. Gordji had produced French-issued documents belonging to the translator *showing that he did have diplomatic* status and therefore could not be questioned by French judicial authorities.

The Foreign Ministry took Mr. Vergès's contention seriously enough to issue its statement explaining *that lettering on a ministry* card of accreditation in Mr. Gordji's name, stating that he was a translator, in fact excluded any diplomatic rank.

Mr. Gordji took refuge in the embassy at the end of June after an *investigating magistrate,* Gilles Boulouque, summoned him for questioning in connection with bomb attacks that killed 13 persons in Paris last year. The bombings have been blamed on a pro-Iranian Moslem fundamentalist ring.

The French police then surrounded the Iranian Embassy, prompting similar measures against the French Embassy in Tehran. Both embassy buildings have remained under effective siege since then.

A series of incidents following the summons led to France breaking relations on July 17. Eleven French nationals have since been holed up in the former French Embassy in Tehran and some 40 Iranians have been confined to their mission in Paris, awaiting repatriation.

Mr. Vergès, who made his asser*tions Friday in the conservative* newspaper Le Quotidien de Paris, said he had not been asked to represent Mr. Gordji. "Wahid Gordji has not been charged," he said. "He does not need a lawyer."

However, Mr. Vergès's involvement indicated that he would represent Mr. Gordji if approached to do so. So far this year, Mr. Vergès has represented Georges Ibrahim Abdallah, a suspected Lebanese terrorist leader, and Klaus Barbie, the former Gestapo officer in Lyon. Both clients were found guilty and were sentenced to life in prison.

A group that called for the release of Mr. Abdallah and two other Middle Eastern prisoners convicted in France for terrorist crimes claimed responsibility for the 1986 Paris attacks.

The sluggish pace of developments in the French-Iranian crisis has led to speculation that it might last for months.

Iran, retaliating for the Gordji summons, accused Paul Torri, the French consul in Tehran, of a series of crimes, including espionage and drug trafficking. Mr. Torri's seven-week-old baby, born just as the crisis started, is among those confined in Tehran.

Hashemi Rafsanjani, speaker of the Iranian Majlis, or parliament, said in an interview with the West German newspaper Die Welt last week that Mr. Torri's wife and baby could leave Iran. But in Paris, Foreign Ministry sources said they had had no confirmation of this.

Panel Questions Jailed Ex-Agent

The Associated Press

WASHINGTON — Congressional investigators on Friday interviewed Edwin P. Wilson, a former Central Intelligence Agency official, at a prison in Illinois as part of their investigation into the Iran-contra case.

Bob Havel, a spokesman for the House Iran-contra committee, said Mr. Wilson knew some of the persons involved in the case.

Mr. Wilson, who is serving a 52-year sentence for illegally selling weapons to Libya and plotting to kill federal prosecutors and witnesses, has claimed that he was a one-time business partner of Richard V. Secord, a retired air force major general. General Secord is under investigation by Lawrence E. Walsh, the independent counsel in the Iran-Contra case, for his role in selling weapons to Iran and diverting the profits to the Nicaraguan rebels.

3 Members of Jewish Defense League Admit Roles in New York Bombings

By Howard Kurtz
Washington Post Service

NEW YORK — Three former leaders of the Jewish Defense League have pleaded guilty to racketeering charges involving bombings aimed at Soviet citizens here, including a firebombing at Lincoln Center last October before a performance of the Moscow State Symphony.

The Jewish Defense League was founded in 1968 by Rabbi Meir Kahane, now a member of the Knesset, the Israeli parliament. It was said to have grown to more than 10,000 members in the early 1970s before going into decline.

The guilty pleas were made by Vincent Vancier, 30; Murray Young, 59; and Jay Cohen, 24. Prosecutors characterized Mr. Vancier as Rabbi Kahane's choice to be the national chairman of the league. Each defendant could face up to 20 years in prison and $25,000 in fines. All remained free on bond until sentenced.

Prosecutors accused the three Thursday of "a pattern of terrorist acts, including bombings, arsons, extortions and fraud."

Assistant U.S. Attorney Gregory O'Connell said the three also were involved in lobbing a tear gas gre*nade during a performance of the* Soviet Moiseyev Dance Company last September but were not charged under the plea agreement. That attack, at the Metropolitan Opera, sent the Soviet ambassador, Yuri Dubinin, and 20 other people to hospitals for treatment. No one was seriously injured.

A fourth associate, Sharon Katz, 41, pleaded guilty to one charge of assaulting a foreign official in the tear gas attack. She could face three years in prison and a $5,000 fine.

Mr. O'Connell said his office, the Federal Bureau of Investigation and the New York police are continuing to investigate whether members of the Jewish Defense League are connected to other crimes, including homicides.

The charges detail a pattern of violence purportedly aimed at protesting the Soviet Union's treatment of Jews, but the targets also included a dissident Jewish Defense League member, Walter Berk, whose car was firebombed twice in New York. Mr. O'Connell said the attacks were an attempt to extort Jewish Defense League bank records and donor lists from Mr. Berk.

Mr. Vancier said in a telephone interview that "my days of participating in things like this are over." He said he became involved in such activities because he believed that "three million Jews in the Soviet Union were being ignored." The group targeted property rather than people, he said.

The investigation began in February 1984 after the firebombing of a car parked at a New York residential complex for Soviet diplomats, an attack cited in Thursday's charges.

Prosecutors charged that Jewish Defense League members firebombed a Pan American World Airways trucking facility at John F. Kennedy International Airport last year, apparently because the airline had resumed flights to the Soviet Union. They also charged that the Jewish Defense League fraudulently raised money in the guise of a campaign committee for Governor Mario M. Cuomo of New York.

In an interview with The Village Voice last year, Mr. Vancier said: "If the Soviets are afraid that their diplomats in the U.S. will be killed, that their offices will be blown up and that we will take other actions that will disrupt Soviet-American relations, they'll realize that they are better off letting Jews go."

Raquel Torres, 78, Star Of Early Sound Movies

United Press International

LOS ANGELES — Raquel Torres, 78, who made a vivid impression in several early sound movies before her retirement in the late 1930s, died Monday after a heart attack.

Miss Torres, whose real name was Paula Marie Osterman, was born Nov. 11, 1908, in Hermosillo, Mexico. She began her acting career in 1928, playing the lead opposite Monte Blue in MGM's "White Shadows of the South Seas."

The film was the studio's first feature fully synchronized for dialogue, music and effects, and Miss Torres won her role on the basis of beauty and a pleasing voice.

She played leading roles in "The Bridge of San Luis Rey," and "The Desert Rider" in 1929, "Under a Texas Moon" and "The Sea Bat" in 1930 and "Aloha" in 1931. She also appeared in the Marx Brothers' classic "Duck Soup" in 1933.

Raquel Torres in 1933

■ *Other deaths:*

Sherwood Bailey, 64, a red-headed, freckle-faced child actor in the mischievous "Our Gang" films, who grew up to become a civil engineer, Thursday in Newport Beach, California, of cancer.

Alexander Ziegler, 43, a Swiss actor, writer and prominent homosexual activist, Tuesday in Zurich

Monsignor Antonio Plaza, 77, a former archbishop of La Plata, Argentina, who supported the former military government's crackdown on suspected leftists and was the police chaplain during the military government of 1976-83, Tuesday in La Plata.

Lester Gaba, 80, creator of the lifelike Gaba Girls display-window mannequins for Best & Co. and other New York stores, and a producer of elaborate fashion shows in the 1940s and '50s, Wednesday in New York, of cancer.

Ronald Busch, 58, a leader in paperback book publishing for 30 years with Bantam Books, Ballentine Books and Simon & Schuster, Wednesday in New York during triple-bypass heart surgery.

Clara Peller, 86, a retired manicurist who achieved fame in 1984 when she appeared in two television commercials for a fast-food chain in which she made "Where's the beef?" a household phrase, Tuesday in Chicago.

Palestinian University Reopens in West Bank

Reuters

JERUSALEM — The Palestinian university of Bir Zeit in the occupied West Bank reopened Thursday after it was closed in April by the Israeli Army after a university student was killed in clashes with army troops.

Classes resumed immediately for the 3,000 students at the university's two campuses north of Jerusalem, and no incidents were reported.

Italian Valley Evacuees Return After Landslide

Reuters

SONDRIO, Italy — About 1,200 people who moved out of their homes after a landslide from a flood in the Adda region in Italy have been allowed to return after their villages were found to be no longer at risk, officials said Thursday.

Villagers from Cepina and two nearby hamlets were evacuated last week because of a threat of flooding from a lake that had built up behind the landslide farther up the valley. At least 27 people are believed to have died in the landslide, which buried two villages and swept away a third.

Herald Tribune
INTERNATIONAL
Published With The New York Times and The Washington Post

OPINION

Reagan: Stubborn, Wrong

President Reagan's promised accounting for the Iran-contra scandal came down to a minute a month. In his speech he glossed over eight months in less than eight minutes before turning the page to the rest of his term. Even now, the most he can bring himself to do before the court of public opinion is to enter a plea of *nolo contendere*, no contest, neither denying guilt nor affirming innocence.

Yes, Mr. Reagan said, he took responsibility. But responsibility for what? He chastised Admiral John Poindexter, the former national security adviser, for keeping the truth from him. "I had the right, the obligation, to make my own decision," Mr. Reagan said. It was left for Senator George Mitchell, a Democrat, to note that the president made the decision to exchange arms for hostages, and did it in writing.

The closest Mr. Reagan came to acknowledging what he did wrong was this: "I was stubborn in my pursuit of a policy that went astray." If he still believes that, he has still not accepted the first lesson of the scandal. Stubborn? Yes. Astray? No. Giving arms for hostages to Iran is not a policy that went sour in the execution. The whole idea was wrong from the start. It amounted to a supply-side hostage policy, encouraging terrorist adversaries to kidnap some more Americans whenever they need arms, or concessions.

On its face, Mr. Reagan's accounting seemed too slight and slippery, an effort too glibly to end the chapter and beat the rap. Yet the chapter is not over. The special prosecutor is still to be heard from and the congressional committees' report is coming in October. And Mr. Reagan has not beaten the rap. He is already paying a heavy price in the costly coin of public trust.

If a president has public trust, everything is possible. Without it, everything becomes an exertion. Mr. Reagan won't face the voters again in an election. But he faces them regularly in public opinion surveys and the results keep flashing a message in neon. A majority of the American people concluded months ago that the president had lied to them on an important issue, and nothing has shaken that conclusion. Overnight, a triumphant presidency became an uphill push.

What does Mr. Reagan propose now to *push up the hill? Many Americans* will welcome his expressed desire to cooperate more with Congress, his hopes for an agreement to eliminate intermediate missiles and his support for a new diplomatic initiative in Central America and "getting our fiscal house in order." But even these items are clouded by the knowledge that Mr. Reagan has been more stubborn than sensible.

The most notable example concerns the immense federal deficit. Mr. Reagan blames the congressional budget process, but it is successive Reagan administration budgets that have blown one $200 billion deficit after another through the bottom of the federal budget. And Mr. Reagan's proposed remedy, a balanced-budget amendment, is irrelevant. It sounds nice; so would an amendment guaranteeing every citizen a new BMW convertible. A balanced-budget amendment would strangle government's ability to fight recessions with deficit spending during future lean years.

It is the president who insists on borrowing by the ton during the fat years, and the president who resists all the necessary remedies, such as raising revenues and curtailing spending for sacred cows. The federal deficit when Mr. Reagan took office was $914 billion. Last week, it was $2.3 trillion. Yet he won't accept even the vague responsibility he now acknowledges for the Iran-contra scandal.

If Mr. Reagan wants to win back the trust necessary to push his agenda to success, it will take more than vague words about diplomacy in Central America and more than evasive words blaming Congress for the deficits that cast so long a shadow. Stubbornness on behalf of principle evokes admiration. Stubbornness on behalf of failed policies evokes only a sigh.

— THE NEW YORK TIMES.

The Great Stock Boom

Now commencing its sixth year, the long rise of the U.S. stock market has become one of the great booms of financial history. Stock prices have reached altitudes responsible for an epidemic of nervous indigestion among investors, as they brace themselves for the inevitable fall-back. But, high though it has climbed, the market still isn't quite as high as it was in the late 1960s.

One day in December 1968, the Dow Jones Industrial Average of 30 big companies' stocks closed at 985. Corrected for the massive inflation since then, that would be the equivalent of 3150 today. In fact, the average is still a little short of 2700. Perhaps the market in 1968 was a bit overpriced, but the present level does not break new ground. Stock prices are still recovering from the damage done by inflation in the 1970s.

The reasons for the present surge upward are not entirely clear, but that is not unusual in a speculative market. One important factor, new in the past five years, is certainly visible: foreign investment. Money managers in Japan and Europe have been enthusiastically buying American stocks. The attractions of the U.S. economy still apparently outweigh the risks of the dollar's falling exchange rate. But it is the relationship with inflation that makes the current boom interesting. Up until 15 years ago, it was conventional wisdom that stocks were inflation-proof. They represent, after all, ownership in real assets: factories, machinery, inventories. Those values ought to be constant, regardless of an inflating dollar. But it didn't turn out that way.

Inflation disastrously skewed and disoriented companies' accounting, confusing real profits with mirages created by an unstable currency. Most of the government's early attempts to fight inflation, beginning with President Nixon's disastrous price controls, were bad for industrial performance. By the summer of 1982, when the current boom began, the Dow Jones Industrial Average was less than one-third its 1968 value. The boom started at a point at which inflation was coming down, rapidly and convincingly, and the chief threat to the boom now is the evidence that inflation is beginning to accelerate again.

This boom is said to have generated $2.2 trillion in new wealth for stockholders. It would be reassuring to think that some of that money was going into industrial development. Individuals can get rich by financial manipulation, but that is not how large countries raise their standards of living.

— THE WASHINGTON POST.

A Merengué of Memories

Social dancing, The Times reported this week, is dead. Health-conscious young people jump in the gym doing aerobics. Health-conscious older people labor in the barn doing the Virginia Reel. Everybody else lies on the couch watching "Crocodile Dundee." What does it all mean? It means that pretty soon America's oldsters are going to have a new bedtime story to tell the kiddies.

They'll reminisce about the time their parents gave them a crash course in the box step and the slow turn before sending them off to their first mixer. And about how their aunt and uncle — the ones who used to go on cruises all the time — taught them the merengué, the rumba, the cha-cha-cha and the samba. If the storyteller is a woman, she might recall how easy it was to fall down during the samba because of all that moving backward. If a man, he's apt to remember the torture of leading a woman around the dance floor without stepping on her toes. Sock hops were sock hops, they'll say, because leather-soled shoes would have scratched the gym floor, and prom nights meant borrowed cars, rented tuxes and wrist corsages that extended to the elbow.

The quickest way to learn the twist, storytellers will relate, was by making believe you were drying your backside with a towel. And that the twist was followed by the frug, the funky chicken, the pony, the mashed potatoes, the hully gully, the swim, the monkey and the hustle. If the speaker's a woman, she might mention that her legs never looked better.

They'll talk, too, about slow dancing, and how the boy curled the girl's right hand within his left and the girl leaned her head onto his shoulder. How he sniffed her perfume while she sniffed his after-shave. If the speaker's female, she might mention those cornballs who used to ask if she knew the "Y" dance. (Girl is told to put both arms around boy's neck, boy then asks, "Why dance?")

And if the storytellers go on long enough, this is what their young listeners are going to say: "Teach us how to dance."

— THE NEW YORK TIMES.

Other Comment

The Gulf Is the Concern of All

A marked degree of satisfaction is being shown in the United States that Britain should have changed its mind about the Gulf minesweepers. That is not helpful. Apart from compromising what ought to be a bipartisan approach to the Gulf in Britain, it gives plausibility to Iranian propaganda, which is adroit enough already. The facts are simple: It is in Britain's interest, as well as most other countries', to keep the Gulf open. But we are stuck with improvised national measures at a time when the UN Security Council ought to be the fount of authority. Thus, it becomes all the more necessary to see that neither Iran nor Iraq causes tension between the competing improvisers. It is hard to decide whether Kuwait has merely shown even-handedness by seeking help from both Moscow and Washington or whether it has played one off against the other. It is worth acknowledging that the United States was faced with a genuine dilemma by the Kuwaitis, even though it has trampled further into it with leaden feet. Moreover if the war goes on and if shipping is further harassed, the other European countries and Japan cannot go on observing events with sublime detachment. It's everybody's oil.

— The Guardian (London).

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These Foreign Policy Turf Wars Must End

By Richard C. Holbrooke

NEW YORK — Rogers and Kissinger. Vance and Brzezinski. Muskie and Brzezinski. Haig and Allen. Haig and Clark. Shultz and McFarlane. Shultz and Poindexter.

Five U.S. secretaries of state, six so-called national security advisers, four administrations. Policies that ranged across the ideological spectrum. Widely differing personalities and styles. Yet one constant: friction between the two top advisers to the president on foreign policy — friction that, in most cases, adversely affected not only the conduct but the content and coherence of foreign policy. And, in at least two administrations — those of Jimmy Carter and Ronald Reagan — led directly to large-scale political problems and erosion of public confidence in the presidents' ability to govern.

What is to be made of this sorry record, unbroken except when Henry Kissinger held both jobs in Richard Nixon's waning months, and then, as President Gerald Ford's secretary of state, worked in rare and impressive harmony with Brent Scowcroft, his former deputy at the National Security Council? Mr. Scowcroft, the model NSC assistant of recent years, carried out his duties with restraint, strength and honesty, and helped make the system work.

We can be excused for concluding that friction between the Department of State and the NSC is inherent in their overlapping mandates and differing relationships to both the president and Congress. The secretary of state, confirmed by the Senate, oversees a vast global bureaucracy that deals with every thing from crises to visas. The assistant to the president for national security affairs — to use the actual title — runs a small informal staff in the very shadow of the Oval Office, concentrating only on matters that directly interest or affect the president. Technically, the title does not contain the pseudo-academic word "adviser." The semantic difference reflects part of the problem.

The dilemma has been debated and studied for a generation, almost always with the same general conclusions. But the problem not only has not gone away, it has gotten worse. Every administration begins with high-sounding rhetoric about the primacy of the secretary of state and orderly procedures, but as the president and his staff grow impatient with what they often view as the State Department's leisurely, domestically insensitive, bureaucratic approach to policy, the White House starts to get involved. At first, it tries to get results through second-guessing and prodding the department, then, sometimes, it takes matters into its own hands.

This is not some minor power struggle — office politics of interest only to the participants and a few academic gossip mongers. The personality conflicts between the national security assistant and the secretary of state, exacerbated by ambitious midlevel staffers, has an extremely deleterious effect on the ability of the United States to conduct its most vital and sensitive affairs overseas and build a constituency for them at home.

While the circumstances that led to the Iran-contra affair are unique, and the dimensions of the policy disaster and humiliation far greater than any previous consequences of the State Department-NSC rivalry, no one should ignore the fact that this catastrophe stemmed largely from the very structure that was designed to prevent it. The core of the problem lies not in the actions of those appointed to these critical jobs but in the leadership of the man who chooses and must direct them.

A president ends up getting the advice and support that he deserves and, in his heart of hearts, probably desires. By what right can he presume to lead the nation if he cannot control two of the people closest to him, who depend on him for whatever authority or influence they possess?

It is relatively easy, but of limited value, to map out a set of generalities that cover the proper balance between the NSC assistant and the secretary of state. But in practice, time after time, ambition and circumstance break down the early vows of collegiality and consensus. In theory, the president can choose either a State Department-centered, White House-centered or hybrid system and make it work. But he cannot leave the system alone, unguided, to degenerate into tribal warfare, or allow a bitter dispute over a central policy issue to remain unresolved without mortal risk to his presidency.

A president should always select his national security team — including, too, the secretary of defense, the secretary of the treasury and the director of the Central Intelligence Agency — so that their individual styles fit whatever system the president prefers. Although various structures can work, depending on presidential preferences, my recommendation would be to restrict the National Security Council staff to its original functions: staffing presidential and NSC decisions, helping the president reconcile clashing interests of the departments and agencies and assuring implementation, through proper channels, of policy decisions.

It is obviously too late for this administration. But there are in the United States these days a dozen or so people from among whom will be elected the next president. It is not unreasonable to ask each pretender to the throne to outline how he or she would avoid another round of the same sorry game. A repetition of the present situation entails costs to the national interest that are unacceptable.

The writer, a managing director at Shearson Lehman Brothers Inc., the investment bankers, was the U.S. Assistant Secretary of State for East Asian and Pacific Affairs in the Carter administration. He contributed this comment to The New York Times.

The president's ghostwriter

A New Role For Reagan, All Scripted

By Lou Cannon

WASHINGTON — As a young actor in the movies, Ronald Reagan frequently was cast as a man of action, or the homespun hero, who could be counted on by his friends. Wednesday night, he began starring in a new role: that of the contrite and aging president who wants to go out a winner.

For a politician whose career appears to be on the skids, Mr. Reagan gave an adequate performance. He did not say whether he would have diverted arms profits to the contras, given the chance. But he did manage to walk what he apparently believed was a fine line between groveling and apologizing to the American people for betraying their trust. He also acknowledged that, "There's nothing I can say that will make the situation right."

Unfortunately for those who share Mr. Reagan's goals in arms control or his high opinion of Robert Bork, the Supreme Court nominee, the performance was a carefully crafted one-night stand in the Oval Office that cannot be safely repeated outside the protective shield of a television studio.

Even the mention of a news conference is treated as a joke.

As Mr. Reagan began a long vacation in California that few would begrudge him, he left behind a sheltered presidency in which isolation is approaching an art form. He has given so many contradictory explanations to unresolved issues in the Iran-contra affair that he dares not comment further without a script. When he is dispatched to the White House briefing room to announce a new appointment or proclaim an old policy, his handlers warn him against answering even friendly questions.

This is sad, for Mr. Reagan and the United States. On his best of days at the height of his popularity, Mr. Reagan was a high-risk performer in the briefing room who rarely allowed a fact to get in the way of a stray thought. But part of his considerable charm was that he usually stood his ground with the media and said what was on his mind. Those days are gone, probably forever.

Modern U.S. presidents are often hidden for a few months when policies go sour, but Mr. Reagan is now breaking even his own records for *prolonged inaccessibility. Ironically*, the isolation has become endemic under the reign of a new White House team supposedly dedicated to openness, instead of the secret and devious behavior characteristic of aides during the Iran-contra affair.

The White House chief of staff, Howard Baker, and the national security adviser, Frank Carlucci, are respected public servants, wise in the ways of Washington. When they took over from Donald Regan and Admiral John Poindexter, it was widely expected that Mr. Reagan would be released to resume normal communications. This has not happened. Instead, he is now more isolated and inaccessible than at any previous time in his political career. He averaged a news conference every two months under Mr. Regan; under Mr. Baker, the average is one in three months, and is likely to get worse. The White House spokesman, Marlin Fitzwater, treats even the mention of a news conference as a joke.

News conferences are not, of course, the only measurement of accessibility. By other yardsticks, Mr. Reagan is even more isolated now than he used to be. For instance, he once repeatedly gave interviews; now he gives none, except for occasional chats with journalistic boosters. Other presidents unwilling to face the media have sometimes used panels of citizens to ask them questions. Even this dubious device can't be safely used by Mr. Reagan in his present state of mind.

On July 27, campaigning in Port Washington, Wisconsin, for his "economic bill of rights," he wandered away from his script and said: "You know, a president some years ago was talking about government and its power, and he said, 'If the people don't know enough to run their own lives, where do we find a little select elite that cannot only run their lives themselves, but the people's lives for them? And that is government?' Well, you can't find them."

So Mr. Reagan gave a swell performance Wednesday. But he now functions only on national television, when he can read what has been written for him on a TelePrompTer. Left to his own devices, the Great Communicator no longer exists.

The Washington Post.

Some Straight Talk About the Bork Hypocrisy

By Tom Wicker

NEW YORK — It's time for some straight talk about Judge Robert Bork's nomination to a seat on the U.S. Supreme Court.

The reason President Ronald Reagan chose Mr. Bork, and that conservatives are happy about the choice, is that they believe this nominee, if confirmed, will tip the court solidly to the right for many years to come. The reason Mr. Bork is opposed by so many liberals, and so many beneficiaries of liberal legislation and rulings, is that they believe the conservatives are exactly right about the nominee's effect on the court. So for either side to accuse the other of being "political" is quite true. It also is quite hypocritical, when it is suggested that only the other side is being political.

Thus, Judge Bork's supporters insist: "He's a moderate and a centrist in the tradition of Lewis Powell, the justice he was nominated to replace. If he doesn't prove to be quite that, those who oppose him still have no right to consider his writings, legal philosophy or judicial rulings — only his I.Q. and his ethical character. If they nevertheless do base their opposition on Bork's record, it's still the president's right to shape the court, and Reagan is only making up for years of liberal appointees."

Mr. Bork's opponents contend: "He's an inflexible conservative extremist who'll try to roll back all the protections of individual rights recently achieved. If he doesn't prove to be quite that, we still have the right to oppose a nominee who talks about judicial restraint but in many cases threatens established values and precedents. If it's not certain that he does, liberals still should try to keep the court out of conservative control, and the Constitution says senators don't have to accept a president's nominee."

For every senator, moreover, who has made up his mind in advance to vote against Mr. Bork, there is one who has decided in advance to vote for him. What's the difference?

This particular nomination, of course, is unusually sensitive because Mr. Bork's record suggests that, once on the court, he would form a controlling conservative bloc with Chief Justice William Rehnquist and Justices Sandra Day O'Connor, Antonin Scalia and Byron White. How conservative and how controlling are questions at the heart of the debate.

The unusual prospect of such a decisive change in the court is what makes it at least possible that a qualified nominee might be defeated, a fairly rare event in this century. The news that Justices Harry Blackmun and William Brennan are undergoing prostate surgery, heightening Mr. Reagan's chances to nominate one or two more justices, only intensifies liberal apprehension. On the other hand, the Bork nomination could be Mr. Reagan's last chance to remake the court — particularly if debate on the nomination carries over into the election year. For that reason, many conservatives consider the Bork confirmation battle perhaps the most important decision of the Reagan years; and for the same reason, many liberals agree.

What about a filibuster? If Bork opponents have the votes to defeat cloture, "extended debate" is a legitimate Senate tactic, used countless times by conservatives and liberals to achieve lesser or greater purposes than now at stake. But it might be too risky because of the political effect — say, in the presidential campaign — of frustrating a Republican-conservative nomination by a primarily Democratic-liberal filibuster.

Some may think Mr. Reagan should have made a less controversial nomination. Others may think that opposing Mr. Bork on any but ethical grounds is unprincipled. But neither side can rest on principle. The nomination was a political act well within Mr. Reagan's rights. It has inevitably generated political opposition. Both sides are acting politically in trying to confirm or defeat Mr. Bork.

What is wrong with that? What's new about it? Political decisions — power struggles — make a democracy. And the only "double standard" in this instance belongs to him who claims to see one in the other fellow.

The New York Times.

LETTERS

Don't Cut Off Romanians

Regarding "It's Time to Reign in Ceausescu" (June 10) by Jeri Laker:

It is time for those in the U.S. Congress who voted in favor of suspending Romania's most-favored-nation trading status to imagine what that country would be like without it, and without the workings of the Jackson-Vanik amendment, which specifically links trade to emigration.

A suspension could very well compound the oppression of religion and ethnic minorities in Romania. The bleak state of that country's economy, and the shortages of necessities suffered by its people, have been well depicted. But through the extension of most-favored-nation status and the workings of the freedom of emigration amendment of the 1974 Trade Reform Act, a relief valve is in place that has provided for the movement and resettlement of thousands of Romanian families. Though this is an imperfect solution, it has provided some hope.

It likely was the Jackson-Vanik amendment that led Romania to help in the emigration of Soviet Jews to Israel — a point that many in Congress seem to have ignored. The Romanian government has responded favorably to specific Western concerns about human rights, allowing release and emigration in several difficult cases. It is highly probable that any additional stress placed on the government through the loss of most-favored-nation status will be passed on to the populace through even greater deprivation and controls. The churches there are overflowing with people seeking solace; the churches are subsidized by the state and could be subject to much greater restrictions.

The human rights situation in Romania is complex and will not be solved by tampering with most-favored nation status. What is needed from those concerned with human rights there is the same type of creative thinking that brought Jackson-Vanik into being in the first place, and not the negation of what limited resources are at America's disposal. The consequences will be suffered by many poor individuals who are still hoping for our good will.

JOHN CROSSLEY.
Director, Christian Rescue Effort for the Emancipation of Dissidents.
Erwinna, Pennsylvania.

There's a Way Out of the Afghan War

By Barnett R. Rubin

NEW HAVEN, Connecticut — The Afghan resistance, now better supplied than ever, has recently won important military successes in key regions of the country. This is unknown to most of the outside world, but not to their opponents.

Nevertheless, since neither the Soviet Union, and its clients in Kabul, nor the Islamic resistance, supported by the United States, China, Pakistan, some Arab states and other Western and Islamic countries, can win militarily, battlefield advances in Afghanistan mean nothing but *wasted lives unless leaders can* translate them into political gains in negotiations. The diplomatic situation may now offer the resistance such an opportunity, if its leaders are capable of seizing it and if its supporters permit them to do so.

The alliance of the seven political parties in the Afghan resistance — the Islamic Unity of the Mujahidin of Afghanistan — should ask Diego Cordovez, under secretary general of the United Nations, who has been working since 1982 as a mediator, to meet with them to discuss the possible composition of a transitional government. The new team would take over during the withdrawal of Soviet troops, as envisaged by the nearly complete treaty drafted by Pakistan and the government in Kabul.

In a recent interview, Mr. Cordovez emphasized that he would try to "promote a convergence" between efforts to reach agreement among Afghans about the form of government in Kabul and efforts to conclude an international treaty involving Pakistan, the Soviet Union, the United States and whatever government is in power in Kabul. The draft international treaty is now virtually finished. It provides for the complete withdrawal of Soviet troops, the end of external aid to the Afghan resistance and the voluntary repatriation of approximately five million refugees under the protection of the UN High Commission for Refugees.

Both of the superpowers have agreed to guarantee such an agreement, which also provides for an elaborate mechanism to monitor observance of its provisions. The agreement lacks only the precise timetable for withdrawal, but the current position of the two opponents — the Soviet-backed Kabul side advocates 18 months while Pakistan calls for seven months — point toward a relatively easy compromise in about 12 months.

The real problem is the one that critics of the agreement have raised all along: The regime installed and defended by the Soviet troops cannot survive that army's withdrawal. An agreement that does not provide for the replacement of that regime by one acceptable to the Afghans *seems destined to create chaos that* would draw the Russians in again, and lead to a resumption of war.

Neither side is willing to sign an agreement without a mechanism for establishing an acceptable transitional government that would lay the basis for Afghanistan's political future. The question is, Acceptable to whom? The plan for "national reconciliation" advanced by Moscow and Kabul envisions the inclusion of resistance parties and others in a coalition government in which all key posts — president, prime minister and chiefs of the external and internal defense and security apparatus — are still in the hands of the ruling party and its Soviet advisers.

Not a single leader of any significance in Afghanistan has agreed to this plan. The resistance leaders claim that the real protagonists of the conflict are the Afghan people, whom they represent, on the one side, and the Soviet invaders, on the other. They have demanded that the Soviet government deal directly with them. The United States has quietly encouraged them in this position. This demand, however, asks too much of Moscow. To deal directly with the resistance, the Russians would have to explicitly and openly abandon their clients. On the other hand, to ask the resistance to recognize the "puppet regime" in Kabul as a negotiating partner is to ask it to abandon the main principle it has fought for.

The Soviet Union may now be considering new ways to extricate itself from this political and military quagmire. In the last six months, Mr. Cordovez has been in touch with the major international actors, and his declaration may be designed to push the Soviet Union along that path. The Afghan resistance can test how far the other side will go by responding to Mr. Cordovez.

Resistance leaders have sometimes expressed a wished to be invited to participate in talks. Unfortunately, their divisions and the resultant lack of clarity of their positions all mean that no one can be sure how they would respond to an invitation. Their refusal would be too dangerous a setback for the negotiations. It is now up to them to overcome both pride and their divisions and to request talks with Mr. Cordovez.

As a guarantor of any agreement and a chief arms supplier to the fighters, the U.S. government also has a major responsibility. It has supported the Islamic unity organization in part so the Afghans would have a diplomatic presence. Now that the organization may have an opportunity to enter into negotiations, Washington should encourage such a move. More than any statements, such action would refute the charges that the United States is only using the Afghans to bleed the Russians.

The writer is assistant professor of political science at Yale University. He contributed this comment to The New York Times.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: Astor Heir Is Born

NEW YORK — Reposing in a nursery specially fitted up at the cost of $10,000, and surrounded by eight nurses, John Jacob Astor was born this morning in the Astor mansion, in Fifth Avenue. This, the most interesting baby in America, heir of the Titanic victim, is a lusty youngster of 7¼ pounds. Even the chatter of the morbid crowd in the street fails to disturb him. He is likewise unmindful of the sensational newspaper stories concerning the reported movement to break his father's will, by which he inherits $3,000,000. Mrs. Astor was formerly Miss Madeleine Talmage Force. She was married to Colonel John Jacob Astor in September last. Colonel Astor was drowned in the sinking of the Titanic on April 15. Mrs. Astor was also on board when it struck the iceberg, but was taken off in a lifeboat that was subsequently picked up by the Carpathia.

1937: Death in Shanghai

SHANGHAI — After sowing death and destruction from the air on the Japanese warships and in the International Settlement, killing hundreds and wounding thousands, the Chinese were preparing to pour in three divisions and 125,000 reservists [on Aug. 14] to sweep the Japanese forces into the sea. At the end of this harrowing day bodies are still buried under the ruins of some of the finest buildings in the heart of Shanghai. Twelve Americans, including two missionaries, are known to be among the foreign residents killed. The number of Europeans killed is estimated to be just short of 100. The life of every one of the 5,000,000 inhabitants of Shanghai, foreign or Chinese is now in danger. Stray bombs and shells are still falling on the International Settlement. The Chinese say the bombardment of the International Settlement was due to a mistake.

South Korea Protesters Decry Pace Of Reforms

The Associated Press

SEOUL — About 3,000 students and other activists calling for democracy demonstrated Friday at a university campus in Seoul as hundreds of thousands of workers around the country went on strike.

The four-hour demonstration at Seoul National University was largely peaceful. About 2,000 police were stationed outside the school gate but did not intervene. No clashes were reported.

The protesters raised clenched fists and shouted, "Down with military dictatorship" as speakers urged the government to release all political prisoners.

The crowds also voiced support for the striking workers, who are seeking more pay and freer unions.

Some speakers denounced the current democratic initiatives by the government as "a temporary shift in tactics" and called for further struggle to assure democracy.

The Labor Ministry said more than 200 strikes continued throughout the country.

The strikes began soon after the government agreed last month to sweeping democratic reforms, including direct presidential elections and fewer restrictions on labor unions. The government agreed to the reforms after weeks of anti-government demonstrations, mostly led by university students.

Authoritarian governments have kept a tight rein on unions since South Korea's economic surge began in the 1970s. Strikes have been virtually banned. Pay has been kept low to make the country's products cheaper on world markets.

South Korean employees worked a 54.4-hour work week last year, but earned an average of only $370 a month. Productivity has nearly doubled since 1980, but pay has risen only 40 percent.

Most strikers are demanding higher wages, better working conditions and the right to organize and conduct union activities free of government control.

About 2,000 coal miners roamed through the streets of Changsong in the coastal Kangwon Province Friday night and raided company offices, destroying a telephone switchboard and furniture, according to a spokesman for the state-run Korea Coal Mining Co., which operates several mines in the area.

Officials said some of the protesters stoned apartments of company officials and set fire to one. They said police dispersed the demonstrators early Friday. No injuries were reported.

The Hyundai Shipyard in Ulsan on the southeast coast, which had resumed operation Tuesday after suspending work for several days, shut down again Friday when about 1,000 workers urged colleagues to walk off their jobs.

The government Friday released figures it said showed an alarming effect of the unrest on the economy.

The Trade and Industry Ministry said exports in the first 10 days of August were $692 million, compared to $936 million in the first 10 days of June and $1.7 billion in the first 10 days of July.

Wendy Schwegmann/Reuters

Miners injured by guards at an Anglo American Corp. mine west of Johannesburg.

STRIKE: *76 African Miners Injured by Rubber Bullets*

(Continued from Page 1)

for several months. The firm gave no reason for its intention to shut down its Landau coal mine.

Mr. Ramaphosa said the union was arranging buses to take strikers away from the mines west of Johannesburg where violence had occurred. He said the men were being taken to their homes, some outside the country, but did not specify where.

There has been no indication of any renewal of talks with the Chamber of Mines, which represents the top gold and coal mines, he said.

About 150 union members who struck Thursday at the Rand Refinery, the main processor of the country's export gold, returned to work Friday, management said. But the union said 10,000 additional workers joined the walkout Thursday.

The union is demanding a 30-percent wage increase, longer annual leave, more death benefits and a paid holiday on the anniversary of the student uprising in the black township of Soweto on June 16, 1976.

The Chamber of Mines on July 1 unilaterally granted pay raises ranging from 15 to 23 percent.

The chamber said the average black miner's salary was about $250 a month before the increases and is now about $285 a month for gold miners and about $300 for coal miners. That is about one-fifth what the average white miner earns.

The union says the average black miner earned $170 before the wage increases.

ANGOLA: *Citing Hunger Crisis, Government Asks Aid*

(Continued from Page 1)

States into ending its support of the insurgent group.

This year, for the second year in a row, the U.S. government is sending at least $15 million in military hardware to the rebels.

The administration of President Ronald Reagan has said that the military equipment is intended to pressure the Angolan government to negotiate with UNITA and to force the withdrawal of an estimated 37,000 Cuban troops.

The Angolan vice minister for foreign affairs, Vanencio De Moura, said that U.S. support of UNITA had strengthened, rather than weakened, the government's intention of keeping the Cuban troops.

He called the aid to UNITA "clear interference in our internal affairs" and said that it was prolonging the war while causing increased civilian casualties.

The number of displaced persons has risen by about 1,000 people in the last six months, Angola says.

Mr. De Moura added, however, that as part of Angola's emergency appeal, the Luanda government "had *no problem accepting*" bilateral famine aid from the U.S. government.

In the past year the U.S. Agency for International Development has provided 12,000 tons of fortified grits, vegetable oil and dried skim milk for distribution in Angola by the United Nations Children's Fund.

■ **Response From U.S.**

In Washington, a State Department spokesman suggested that Angola's oil revenues were rising and that the country use the money to feed its starving population rather than buying more weapons to fight the UNITA guerrillas.

The spokesman, Charles E. Redman, said the United States had received an emergency request from UNICEF for additional aid to Angola in the coming year. He said U.S. officials were having a hard time deciding on the request because "the government seems to have reduced commercial food imports and used increased revenue to step up imports of war matériel."

AIDS: *U.S. Experts Don't Expect Heterosexual Epidemic*

(Continued from Page 1)

Haiti, have simply not materialized in the United States.

AIDS is primarily transmitted by an exchange of blood, and it seems that the prevalence of genital infections in Africa has contributed to the spread of the disease there, whereas such infections are far less frequent and severe in the United States.

"In Africa we can say that a major co-factor in the spread of AIDS is venereal disease," Dr. Gallo said. "There are lessons to learn from the African situation, but we cannot predict parallel phenomena here."

Dr. Gallo's observations are part of a growing awareness that heterosexual activity in the United States rarely involves the necessary co-factors — wounds permitting blood or blood-semen exchange — for easy transmission of AIDS.

In the high-risk groups, by contrast, blood contact is common. Most of the homosexual spread has been accounted for by anal intercourse, which often involves torn tissue and rectal bleeding, providing an entry for the virus.

And IV drug users exchange the virus through blood on shared needles.

Some AIDS experts, like the Harvard University virologist William A. Haseltine, still argue the case for a rampant heterosexual spread.

Mr. Haseltine contends that in the United States AIDS is still relatively new to the heterosexual population, and he cites the military study to confirm that large numbers of heterosexuals are now testing positive.

But the military statistics have not held up well. Critics charge that military recruits who tested positive were reluctant in many cases to admit to homosexual practices or intravenous drug use.

INDIA: *Independence Anniversary Unleashes Outpouring of Pessimism*

(Continued from Page 1)

the modern world. Few would disagree that its major achievement has been preserving democracy, epitomized now by the intensive self-criticism that people in other developing countries might envy as a sign of health.

In addition, there are widespread signs of enormous material progress for India, reflected in health, income, and food production.

Part of the reason for the negative feelings being expressed today is certainly the spread of violence. Killings involving clashes between Moslems and Hindus and between caste groupings of Hindus, plus attacks by Sikh extremists and retaliations by Hindus, are occurring at the highest rate in decades. Scores and sometimes hundreds die in such bloodshed each month.

Another theme in the commentary is the focus on the decline of the quality of the police, the bureaucracy, the political organizations and other institutions, a drop that has been steady since independence but has accelerated in recent years. Everyone, it seems, acknowledges that bribery has virtually become a way of life in dealing with the government at all levels.

Girilal Jain, editor of The Times of India, wrote this week of the need to renew and strengthen "the institutions of a modern state which we inherited from the British, and which we have run down to a point where they have become caricatures of the original models."

The malaise seems tied, most of all, to the political difficulties of Prime Minister Gandhi. He was a symbol of hope when he took office in 1984 but he has become embroiled in accusations of corruption and cover-up directed against his government and in some instances against him personally. Several former allies and members of his cabinet have been expelled from the governing Congress (I) Party and are calling on him to resign.

"As always, India is facing a set of contradictions about itself," said Sudhir Kakar, a psychiatrist and author of books about the Indian character. "We do see today a greater sense of self-confidence that there is a uniquely Indian way of doing things. At the same time, these scandals and accusations have really shaken people."

Other experts say the sour mood in India has less to do with scandals or politics than with the unusually oppressive heat this year, coupled with the apparent failure of the monsoon and the specter of drought and hunger.

Certainly, there have been enormous achievements in 40 years as an independent nation.

Although India remains a poor developing nation, with a $200 billion economy that is one-twentieth the size of that of the United States, its annual per capita income of $260 is 10 times what it was at independence.

In 1947, the average life expectancy in India was 32 years. Today it is 54. At independence, India was an almost exclusively agrarian nation. Today, it is industrialized, producing steel, machinery, computers, rockets and satellites.

Perhaps most important, a "green revolution" has enabled an India of more than 750 million people — more than twice the population at independence — to produce 150 million metric tons of food grain a year, nearly three times what it produced 40 years ago.

A country that was once a major food importer is now self-sufficient in grain, even though more than a third of its people still suffer from hunger and malnutrition.

India's birth rate also has declined somewhat, but experts say that it is still out of control. They predict that India will surpass a billion in population shortly after the turn of the century and eventually will pass China as the most populous country on Earth.

In its four decades, India has fought one war with China and three with Pakistan. Today, it is engaged in a military buildup in response to the continuing deep distrust of these neighbors. India has led the nonaligned nations, while usually endorsing the policies of the Soviet Union in arms control and relations with the developing world.

Yet, perhaps oddly, few of these issues seem to be at the center of national concern today.

Instead, politicians and polls say the public has become preoccupied with the issues of accountability and honesty in government.

"What has happened in the last 40 years is the emergence of the Indian state as the greatest enemy of the Indian nation," said Jaswant Singh, an opposition member of Parliament. "You can see this at the lowest level, in the villages. Today, if a villager has to go before a government official, a policeman, or anyone else, he is completely filled with terror."

But to other analysts, the focus on corruption and morality is itself a sign of progress. Pran Chopra, a social scientist, noted that India, in its early years, had to decide basic issues of its constitution, political and economic structure, and foreign policy.

"There were great debates over all these matters," Mr. Chopra said. "The fact that today we are focusing on whether there was a kickback in a defense contract is a sign of progress. Our broad goals have been established, and we have achieved remarkable consensus and stability in keeping to them."

Today, the dominant political fact appears to be the continuing influence of the "middle class," a phrase used to refer to the most affluent 10 percent or 15 percent of the population, which buys consumer products and sets the pace in demanding a government that is more honest and efficient.

This middle class once provided the support for Prime Minister Gandhi and now seems to have turned against him. Meanwhile, most critics say his party has lost its base of mass support.

Perhaps the greatest threat to India, according to many analysts, is the deterioration of the concept of secularism, the separation of religion from the state. As minority groups such as Moslems and Sikhs have asserted their religious identity, another resurgence of identity — by the Hindu majority — has developed.

Experts wonder whether the rise in grasping for religious identity will push India's ideal of unity among myriad walks of life, faiths, and sects even further beyond reach.

ACCORD: *Peace Depends on U.S. Cutting Off Contra Aid, Managua Says*

(Continued from Page 1)

be carried out only if other parties also respected the accord.

President Daniel Ortega Saavedra returned Friday from Havana after talks on the peace accord with the Cuban leader, Fidel Castro.

Among other issues, Mr. Ortega and Mr. Castro discussed the role of foreign military personnel in Central America, the Cuban news agency Prensa Latina reported.

"The conclusion was arrived at that an important contribution to peace would be the carrying out of a regional agreement for the halt of all foreign military presence in the countries of the area," the news agency reported, quoting the text of a press release.

Under the peace accord, each country in Central America is required to declare a political amnesty. Mr. Ramírez said the Sandinist government would comply by freeing prisoners, abolishing the special tribunals that condemned many of them, and allowing rebel leaders to return to Nicaragua and enter political life.

"Disarmed groups would have all political rights," Mr. Ramírez said. "Counterrevolutionary leaders could join existing political parties or form new ones."

This will be possible, he said, only if a cease-fire takes effect, if the United States stops supplying and advising the rebels, known as contras, and if neighboring countries honor their obligations under the accord to forbid the use of their territory for attacks on Nicaragua.

Mr. Ramírez said, however, that during a cease-fire, the contras could receive food and other nonmilitary supplies from "a humanitarian organization like the Red Cross."

He said, "If we assume that the United States stops supporting the counterrevolution, that the counterrevolution accepts a cease-fire, that the counterrevolution begins the process of giving up arms, that the government of Honduras closes the contra bases and prohibits the use of Honduran territory for contra operations, then parallel with that, the state of emergency will end."

"Full constitutional freedoms will be restored," he continued. "La Prensa will reopen, the Catholic radio station will reopen, there will be no prior censorship of the press, there will be no restrictions on political party activity, the people's tribunals will be closed and all counterrevolutionary prisoners will be freed."

"I hope it happens," he added.

Under the Guatemala accord, Nov. 7 is the date by which outside aid to rebel groups must end and Central American countries must carry out measures to encourage democracy.

■ **Duarte, Rebels to Meet**

Salvadoran rebels have accepted President José Napoleón Duarte's call to meet in El Salvador on Sept. 15 for peace talks, The Associated Press reported from San Salvador.

"We accept," Rubén Zamora, a rebel leader, said in a telephone interview from his home in Nicaragua. "He changes from one day to another, so we are answering very quickly in case he changes again."

Mr. Zamora said the leftist movement, a coalition of the Farabundo Martí National Liberation Front, a guerrilla group, and the Democratic Revolutionary Front its political arm, proposed that the talks be held at the highest level and that they take place in San Salvador.

Mr. Duarte made the offer on Thursday to meet with the guerrillas, saying he was complying with the terms of the accord that he and the presidents of Nicaragua, Honduras, Costa Rica and Guatemala agreed to.

A Centennial Message from the International Herald Tribune

INTERNATIONAL HERALD TRIBUNE 1887 1987 100 CENTENNIAL

NOTES ON A CENTURY

A Paris Newsroom in the 1930s: Not Yet Tuned to Rumors of War

The author worked in the mid-Thirties for the Paris Herald, then went on to a bright journalistic career in New York. He worked first for the Herald Tribune there, and then for Newsweek. Along the way, he wrote a series of very funny detective novels. He now lives in the south of France.

By Jack Iams

Shortly after he left the Herald, novelist Elliot Paul — who had been one of the staff's brightest ornaments in the late 1920s and early 30s — said casually to me one day, "If I have as good a time in the next war as I had in the last one, I'll have no complaints."

It was a time when World War I seemed well behind us, and no one yet was worrying much about another. I didn't know Elliot very well at the time, and I was shocked. His remark sounded cynical and callous. Later, I was to realize that he was one of the most compassionate and peace-loving men in the world, but at the time, when I was a young and wide-eyed member of the Herald staff, I wasn't used to hearing people take it for granted that another world war was on its way.

Now, in retrospect, I can see that Elliot was simply more prescient than most of the people I knew and worked with. He had read the writing on the wall and he knew what it meant.

Very few, if any, of us on the Herald in those days — I am talking about 1933 and 1934 — knew that there was any writing on the wall, let alone read it. Admittedly, the Golden Age of the Herald — the carefree late 1920s — had passed, and the echoes of the American Depression were very much with us. We wondered how the new American President was going to cope with it, and the few remaining expatriates who lived on money from home were undoubtedly worried about their checks. But the idea that the smiling Franklin Roosevelt would emerge as a wartime leader in the not-too-distant future would have seemed unthinkable.

At the time, of course, we did not have the lesson of the Spanish Civil War to indicate what the Nazi Germans and Fascist Italians were up to. Although Mussolini was even then preparing for his Abyssinian adventure, he was looked upon, around the Herald anyway, as something of a comic-opera figure.

Adolf Hitler and Benito Mussolini in Rome, June 1938.

And indeed there were a good many Americans in those days, some of them quite respectable, who frankly admired Il Duce for having made the trains run on time. As for Hitler, the silly little man with the Chaplinesque moustache then seemed more a mountebank than a monster.

Ironically, I think that most of us on the Herald thought that the most dangerous threat to peace was inside France itself, with the country showing increasing signs of coming close to civil war.

The Herald itself, of course, steered carefully clear of any comment on the French situation — that had long been its policy — and I would imagine now that a stranger reading an average issue would have had little or no inkling that France, and the rest of the Western World, was heading for serious trouble.

Besides, life on the Herald was still, for the most part, a happy one. Paris, despite its undercurrents, had never looked lovelier. Wine and food had never tasted better, and though we weren't exactly overpaid, we could afford a few pleasures. Perhaps we were living in a cellophane-wrapped world, too absorbed in our own enjoyment of it to bother with what was brewing outside.

Still, some of us must have known. Bill Shirer, for instance. Bill was as clear-sighted an observer as anyone could ask for. Yet I would guess that even he, when he left the Herald later that year and went to Berlin, had his eyes opened by what he saw there. Certainly his great "Berlin Diary" opened the eyes of countless Americans to the evil destinies that were taking shape in the mind of the silly little man with the moustache. But "Berlin Diary" was not published until 1941.

On the other hand, there were people like Sparrow Robertson, our sports columnist, who hadn't the faintest idea that anything could ever go wrong with the world of Harry's Bar and the Silver Ring that he and his Old Pals lived in.

I'm not sure he ever even heard of Hitler or Mussolini. For that matter — according to legend — he never quite realized that France had fallen and that the Germans had occupied Paris.

I would think of myself as somewhere between Shirer and the Sparrow. I must have been dimly aware of great and ominous events taking shape not too far away in the world. And yet I wanted to believe, like Sparrow, that the wonderful Paris we lived in, the wonderful lives we led as Herald staffers, that these were the only realities and would go on forever. I suppose that's why I was so shaken when Elliot Paul referred so matter-of-factly to "the next war."

Elliot was right, of course. The writing was indeed on the wall. And yet, in a sense, the Sparrow was also right. His world, as he saw it, was indestructible. It may not have seemed so, for a while, but it has survived and there it stands. Paris is as beautiful as ever, and the paper we all worked for and loved — well, most of the time, anyway — is also still there, reborn as the International Herald Tribune but as flourishing as ever in the grandeur of its 100th year.

This is the 27th in a series of messages about the IHT which will appear throughout the Centennial year.

ARTS / LEISURE

Master Drawings and the Aesthetic Vision of Ian Woodner

International Herald Tribune

LONDON — It takes an exhibition such as "Master Drawings from the Woodner Collection," at the Royal Academy through Oct. 25, to remind us that drawings are the essence of two-dimensional art caught in its prime inspiration before it gets disciplined into careful compositions. Museum shows tell you about schools, trends, crosscurrents. A collector's show gives you an aesthetic vision cutting across time and space Ian Woodner's is fascinating.

An architect by training, a brilliantly successful real estate developer in everyday life, and a remarkable if barely known artist who wielded pencil and pastel many years ago, Woodner has an architect's sense of space, the draftsman's perception of the perfect stroke and, not least, the cash flow. This allows him to buy ceaselessly. His latest acquisitions at Christie's second Chatsworth sale in July, Raphael's study of a Quirinal mar-

SOUREN MELIKIAN

ble horse and Van Dyck's study for the "Mystic Marriage of Saint Catherine" painted about 1615, which cost him respectively £418,000 and £242,000, will be arriving at the Royal Academy in a few days after having been cleared for export.

But money is nothing without the eye required to use it. Woodner has a rare ability these days — to see the work before reading the label. Correggio, Leonardo, Carpaccio and Rembrandt are among the star pieces, but so are the masterpieces of an earlier age, anonymous as they may be.

The first rooms display drawings of the 14th and 15th centuries of which some are unforgettable. A sheet of mid-14th century studies of a kneeling Saint Francis and other figures, cut out from some tattered sheet in the 17th century and mounted on an album leaf with an architectural sense and a feeling for rhythm that must have held an irresistible appeal to Woodner is among the highlights of this season's art exhibitions. The drawings were seen as Giottos in the 17th century. They are now labeled Taddeo Gaddi, "or circle," as the catalogue wisely adds in parenthesis.

Indeed, one is constantly reminded of the fragility of attributions where early and even not so early Old Master drawings are concerned. One of the most admirable portraits of the Verona school in the 15th century, the bust of a young man seen sideways, carries an inscription naming Giovanni Badile. The name is accepted today, largely because 30 years ago the drawing in pen and brown ink was in an album broken up on the London art market: The cover carried the name Antonio — assumed to be Antonio Badile, son of Giovanni — and a date, 1500. Whether or not one believes in its authorship, the drawing, which was bought by Woodner at Christie's in 1982 for £32,400, is astonishing.

So are some of the German School works shrouded in complete anonymity. One of the most forceful drawings is a page from a model book intended to guide miniature painters illuminating Gothic manuscripts around 1340. There is even some uncertainty concerning its exact provenance. Austria or Prague, the catalogue suggests while noting that strong French influence has been detected although striking English-looking details are to be noted.

Anonymity plagues many later works. One of the great pieces — undoubtedly Southern German — at the Royal Academy is a knight in armor seen standing three-quarters back. It is meticulously executed in black pen, pinkish brown and white as if intended to be engraved in color like some of Dürer's work. Its manneristic and cruel style is very idiosyncratic, and yet no name can be pinned down to it. A study in the Albertina that is probably from the same hand is called Tyrolean while Woodner's drawing is described as Swabian. The game is open to further contestants.

To Woodner's indifference to labels we owe the inclusion of an admirable and highly unusual work. This is a bird's-eye view of a cluster of thatched houses standing on a broad sandy avenue in the midst of leafy trees with almond green leaves. It reminds one of some plans printed in the late 15th century in Nuremberg. The catalogue notes that the "drawing should perhaps not technically be classified as a pure landscape. The bird's-eye perspective is more closely allied to cartographic or typographical tradition." No museum would allow it to be displayed side by side with the master drawings on view at the Royal Academy. It is the collector's privilege to spurn artificial boundaries enforced in the name of art historical pedantry.

It is also his merit to perceive hidden affinities that mean more to the viewer than who made what. Recurring visual themes can be perceived in the show. Although not spelled out in writing, they give the visitor a feeling of being led through the secret paths of art.

There is a certain type of landscape that somehow seems inhabited by an invisible presence. The "Town on a Hill," which is more like a cluster of houses ascending an unreal rocky eminence, is one of them. Lightly done in pen and brown wash, it is ascribed to the "Circle of Titian" — as if it mattered. A so-called "Mountainous landscape" by Roelandt Savery, which is the nearest that Western art ever got to Chinese Ming landscape painting, also belongs to that category. Tiny mysterious castles crowning mountain peaks give it a fairy tale atmosphere. Even purely natural landscapes, such as the huge beech tree overlooking a river bed in the distance by Lucas van Uden, seem to be throbbing with hidden life.

Woodner also appears to have been highly receptive to a sense of suspended drama shared by some of the most diverse drawings. A study of "Four Women of Hamburg" by Melchior Lorch has the appearance of some ritual presentation. The four tall figures fill the space against a background of abstract hatching and cross hatching. One woman at the far left is turned sideways, the third one from the left turns her back to the viewer, while the other two face him as in some strange ballet.

The animals themselves can convey an impression of imminent action. "The Hare beneath a Tree" inspired by Dürer and attributed to Hans Hoffman could not be more like an expressive human. The furry figure fills the sheet, ears pointed forward, whiskers curving down, one eye fixing the viewer, the other oddly looking left.

A definite penchant for the fantastic in understated form comes out here as it does in some architectural drawings and landscapes, as well as seascapes. Piranesi's "View of the Pantheon in Rome," sketched in quick nervous strokes, has a vibrating quality that gives the huge classical structure a slightly nightmarish feel. No drawing is quite so striking however as Odilon Redon's "La Barque Mystique," a big boat with cobalt blue hull and a golden sail tossed on a turquoise green sea. It fills the space as white foam sparkles underneath and salmony blotches burst around the boat. This is one of Redon's masterpieces, bought by Woodner at Christie's in December 1983 for £118,800 — adding one more to one of the largest private holdings of the French Symbolist painter's oeuvre. It is as beautiful in its way, and as weird, as Cézanne's "Sloping Trees," leaning in opposite directions as if about to fly off.

Here lies the most remarkable aspect of the collection. Woodner's hoard includes as many outstanding works in the 19th- and 20th-century schools, proportionate to their numbers, as it does in the early periods. A self-portrait in Degas's precise almost academic manner predating Impressionism is one of the great portraits done in France at that time, around 1855-60. Matisse's "Seated Woman," acquired from Stanley Moss in New York, is a masterpiece of 20th-century art and so is the standing figure of a young man, Mateo Fernández de Soto, done by Picasso at the turn of the century, probably in Barcelona.

Interesting, they are all figurative. The Matisse, even though dated 1940, belongs in the great European tradition of studies of the human figure that goes back to the Renaissance. The woman's face, lost in shadow, exudes an inner sadness, as does Picasso's portrait, handled in that aloof manner that Woodner seems particularly attracted to. As one reaches the end of the exhibition, one is struck by the consistency of the aesthetic vision that is projected in this unique show — one of mystery, of concealed inner feelings, devoid of tendency, conveyed with accomplished mastery. The word that sums it up is aristocratic.

The collection, not surprisingly, reflects the collector — an old man from a Minneapolis family, over 80, who watches your with a faint, kindly smile, his head turned three-quarters, slightly tilted, like the characters in his favorite drawings.

Raphael's study of a Quirinal marble horse.

Melchior Lorch's "Four Women of Hamburg."

Matisse's "Seated Woman," drawn in 1940.

A Critic's Notebook: Thinking the Unthinkable

By Bernard Holland
New York Times Service

NEW YORK — I took some time off and went to Europe this spring, and let me tell you, when the train pulled into Milan, I made a beeline for La Scala. What an opera house. I sat at the bar across the street and looked at it for hours.

There's so much music it comes out and hits you in the face. On the way to dinner in Lucca, a tenor upstairs on one of those winding little streets was singing "Una furtiva lagrima." I wish I hadn't been so hungry or I'd have stayed and listened.

And what about the Festwochen in Vienna — all those swell concerts and operas. I was with friends all the way out in Hietzing; and if I'd been able to figure out the streetcars, I bet I would have gone to a lot of them. Someone did offer to drive me to an organ recital, but we stopped off for a glass of wine, and one thing led to another.

You probably think I don't like listening to music. I must admit there are times I don't go knocking on its door, indeed, when the threat of an impending masterpiece sends me running into the street for safety. Maybe it's a sin for someone in my business to say he can leave Beethoven alone. On the other hand, Beethoven every so often might be glad if we did.

Holding such convictions makes me uncomfortable in the company of those for whom listening to music is a magnificent and consuming obsession. I ask them where, after the aural rigors of the season, they go to relax. Usually ticked off are the summer trips to Bayreuth, stopovers in Edinburgh and Salzburg, junkets to Aspen or Seattle. Perhaps I would be wiser if I crammed more little notes into my waking hours than I do; and in a way I envy these professional listeners their insatiability, their symphomania.

But I also suspect that somewhere out there in our listening experience is a point of diminishing returns. Beyond it, more beauty starts getting less beautiful. Indeed, music might end up meaning more if every once in a while we made it less important in our lives. I confess I'm not ashamed of putting my stomach before Donizetti or looking at women rather than Rembrandt. Give greatness an occasional rest, I say. When people ask me what I heard on my vacation, I tell them "as little as I could get away with."

□

This time every year, musicians walk out of the concert hall and into the green outdoors. There they do battle with nature. There are concerts in the park, operas in the park, dancing and singing and instrument-playing, just about everything creative in the performing arts — all in the park. Green grass below, stars up above, music somewhere in the middle.

None of it is very good. Everyone tries hard, including the people who come to listen. And it's nice that they don't need a ticket or have to spend any money. People deserve the opportunity, and the city and all the corporate sponsors are good about providing it.

The performers aren't an issue either. Most are first class or on the upper edge of second class. The problem is nature. It gets in the way. At its seductive best, a lovely night makes anything man-made seem puny beside it. In a less jovial mood, nature rains, steams or bakes the listener into submission. Music was not made to withstand this kind of competition.

Even when the elements are benign, you still can't hear. The loudspeaker systems may be the state of the art, but on strictly musical terms they are lousy. I doubt that these free concerts win substantial converts from the ranks of the uninitiated, especially when Puccini and Mozart are represented in this shrill, bloated form.

May these enterprises prosper (which they seem to do) as long as we realize how little they have to do with music. For if music were the prime concern, its presenters would put a roof over its head and give it a chance to survive. To wish the best for music is to provide it an optimal environment, not to subject it to hazard and abuse.

Art has its own kind of arithmetic, so that the wonders of Beethoven coupled with the wonders of Central Park do not double our wonderment as one would expect. Together, they might make a nice excuse for a picnic but a rather loud one.

□

A cabdriver had a good idea the other night for making opera more popular — happy endings. Terrible fates always seem to await operatic protagonists, and that rubs Americans the wrong way. We like to see things come out right.

He, for example, would like to see a "Madama Butterfly" in which Lieutenant Pinkerton is court-martialed before the final curtain goes down — just so the audience would know this rat got what was coming to him. And why, he thinks, couldn't King Marke see the light and give Isolde a divorce.

My cabdriver has a point, though he forgot about "La Bohème." Mimi doesn't have to die of tuberculosis, especially if Colline would swap his overcoat for a couple of doses of isoniazid.

Scholar Arrested in Stolen Letters Case

The Associated Press

BOSTON — An art scholar was arrested for allegedly trying to sell a bookstore stolen letters by Abraham Lincoln, Winston Churchill and Abner Doubleday, along with other rare documents.

Federal agents in Boston arrested the Washington-based scholar Charles Merrill Mount, 59, author of several biographies of artists, at a bookstore while Mount was allegedly attempting to sell the letters.

The store had alerted agents last week when Mount allegedly tried to sell three Lincoln documents, the FBI said.

With the arrest came a cache of 40 to 50 historic documents. The papers were stolen from the Library of Congress and the National Archives in Washington, said William A. Ahearn, special agent in charge of the Boston office of the FBI.

In one letter, on an "Executive Mansion" letterhead and dated Sept. 20, 1862, Lincoln wrote in longhand to Major General Hallecks about the movement of troops in West Virginia.

Mount was charged with transporting stolen property across state lines. The charge involved 23 letters from the 19th-century painter James Abbott McNeill Whistler, one letter from Winston Churchill and one by Henry James, which Mount sold to the bookstore on July 23 for $20,000, according to court papers filed by the FBI. The charge also listed two letters bearing Lincoln's signature.

Mount faces a maximum sentence of 10 years in prison and a $10,000 fine if convicted. The Whistler letters were stolen sometime in June or July from the Library of Congress, said David Wigdor, a manuscripts official at the library. Most of the other documents were stolen from the National Archives, Ahearn said.

Most of the documents date from the Civil War and include letters between generals in the field and top officials in Lincoln's Cabinet, including Secretary of War Edwin Stanton and General Ulysses S. Grant.

Records at the National Archives indicate Mount has visited regularly since 1984 and as recently as Tuesday, two days before his arrest, said Jill Brett, archive spokeswoman.

Mount has published biographies of the painters Gilbert Stuart, John Singer Sargent and Claude Monet. His most recent work listed at the Boston Public Library was the Monet biography in 1967.

DOONESBURY

mauritius

Festival International de la Mer

Starring the Shores of Mauritius in Tribute to the Sea

International Ocean Festival

Captain Cook's voyages of discovery took him around the world and across the Indian Ocean to a coral-fringed island called Mauritius. Following in his wake, William Bligh, lieutenant in command of the Bounty, set sail for the South Seas in December 1787. Both events will feature in the two months of festivity due to begin in Port Louis, the island's capital, on the 4th of September. But the International Ocean Festival is a celebration of the present as much as the past. Its underlying theme — "the sea that unites us" — captures the confidence of an island in its element.

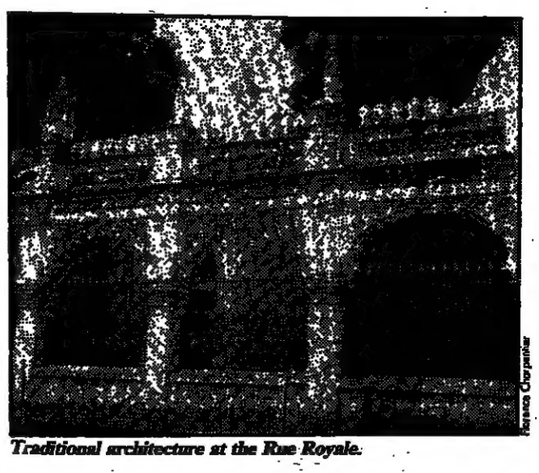
Legends still speak of the boats that carried our ancestors across the sea. Since then, Mauritius has been visited and re-visited by ships from Asia, Africa and Europe. The island, which was discovered by the Portuguese in 1511, is steeped in history and draws its rich cultural inheritance from all four corners of the earth.

Florence Charpentier

Central market in Port Louis.

Florence Charpentier

The beach at Pereybère.



Florence Charpentier

Traditional architecture at the Rue Royale.

FROM September until November, over a dozen countries will help to make the International Ocean Festival an unforgettable event. They include Japan (24-27 September), Britain (28 September to 4 October), South Korea (3-6 October), Pakistan (3-7 October), Egypt (7-10 October), United States (12-18 October), Soviet Union (10-25 October), Australia (27 October to 5 November) and China (1-3 October).

As the guests fly in from five Continents, their feelings may echo those of other travellers in earlier times. Like the great seaman who wrote of "... the expanse, the enormity that first strikes man's senses when faced with the ocean..." and added "... we have succeeded in making it shrink by sailing faster and faster."

As they land on the island with its superb beaches, mountain scenery and welcoming climate they might also recall Mark Twain's sentiments. "God took one look at Mauritius and then used it as a model for paradise."

From the spectacular Rochester Falls to the striking landscape around Chamarel, the island is a pageant of color. With its golden beaches and clear blue sea, this small, volcanic landmass is as diverse as the people that have made it their home.

Bathe off the beach of Tamarin in the shadow of the Black River Mountain, or at Pereybere between Grand Baie and Cap Malheureux. At Choisy there are facilities for sailing and water-skiing. Further along the coast, Grand Gaube is an ideal spot for fishing.

Alternatively, windsurf across the sheltered waters of a lagoon or join the more experienced surfers as they brave the open seas beyond the reef. Connoisseurs will also add skin diving, yachting and big game fishing to the list of pleasures that paradise provides.

During the festival, special events will include the national wind-surfing championships at Grande-Baie (6-8 September), the World Hobie 14 championships at Trou aux Biches (23-30 September), the International Big-Game Fishing Competition at Rivière Noire (18-25 October) and the National Swimming Gala in Beau Bassin. Above all else, the International Ocean Festival is a celebration of the sea and its many varied forms.

A party of three hundred visitors from India, including two cabinet ministers, will form the largest delegation. The sub-continent's links with Mauritius will be graphically portrayed by an exhibition that traces the course of Indian marine history. A team of marine biologists, led by S.Z. Qasim, will join in a series of seminars on the sea and its environment and R.V. Sagar Kanyar, one of the most modern oceanographic research vessels in the world, is also scheduled to visit the island. The arts are represented by an array of entertainment that will be coordinated by Professor Sonctakke, a former director of the MELA in Paris. He is responsible for bringing two of the famous Ghazal singers — Jagjit and Chitra Singh-will — to perform at La Citadelle.

France has helped to renovate this historic fortress which will form an atmospheric background for son et lumière as well as provide the stage for other shows throughout the festival. Mr. F. Léotard, the French Minister of Culture and Mr. Michel Aurillac, the Minister of Cooperation, head their country's official delegation, while Catherine Deneuve, Gérard Depardieu and Yves Montand are expected for the French film festival. In the field of song, France will be represented by Karim Kacel and his musicians. Professor Alain Bombard will discuss the sea and its environment, and both France and India will be staging fashion shows on the island.

From Britain, the Duke and Duchess of York will be arriving to open a ten-day extravaganza during which the Crown Jewels will be on display; one of the few occasions that these priceless gems have travelled so far afield from their home in the Tower of London. Other entertainment includes a chance to see the musical Jesus Christ Superstar and cultural activities organized by the British Council.

Among the other highlights, there will be songs and handcraft from Pakistan, the South Korean trade fair and a troupe of musicians and dancers from Egypt. Along with others, the American delegation will be lending its expertise to an Arts and Science Committee headed by the Vice-Chancellor of the University of Mauritius.

The first voyages of exploration, the small ships that sailed from England to Australia, the romance and reality of the sea... these stories will all be re-told at the International Sea Festival. From Australia, a flotilla of ships will sail into Mauritian territorial waters on 23 October. Their flagship, constructed from plans found in the archives of the British Admiralty, is a perfect replica of the original HMS Bounty. But this time there will be no mutiny. Instead of bread-fruit plants, the crew have packed snorkeling and diving equipment, sailboards and fishing gear. Why not join them in Mauritius for the Festival of the Ocean?

A brilliant pageant is already planned for the opening of the International Ocean Festival in Port Louis harbor. By capturing the color and contrast of Mauritius' multi-faceted culture it should provide a spectacle to rival the carnaval in Rio. "That is our dream," says the Deputy Prime Minister Sir Gaeten Duval.

The World's Best-Kept Secret

QUEEN Victoria would not have been amused; aware of the island's existence, she assumed it was in the West Indies. Darwin was drawn to its shores in his quest for the origin of the species. Nicholas Pike, newly appointed consul, searched for details of the island in vain.

Over a century later, Mauritius is as intriguing as ever. Despite the services of a dozen international airlines it remains an unspoilt tropical paradise, free from chaos and crowds — a place where the nearest thing to an oilslick is an empty bottle of Ambre Solaire, and the only line across the beach is the horizon. To those who know and love her, Mauritius is a well-kept secret.

A mere speck in the ocean, the 720 square miles of coral-fringed island lie 500 miles east of Madagascar on latitude 20 degrees and longitude 57 degrees. Discerning travellers will already have added this destination to their itinerary. For, as Darwin learned, the secret of success is natural selection and as Anerood Jugnauth, the island's Prime Minister, explains: "Selective tourism providing the very best for a first-class clientele attracts an adventurous and enlightened set of holiday makers to our shores."

It wasn't always like that. After his arrival in 1868 the hapless Nicholas Pike wrote: "I returned to my dirty, uncomfortable hotel; and after passing a miserable night, rose at daylight weary and sick. What with bugs, mosquitoes and cockroaches, the knocking about of billiard balls till late and the loud laughter and gossiping of the servants, sleep was impossible. If this is a specimen of a first class hotel in Mauritius, Heaven bless those obliged to put up with the second and third class."

His contemporary, Mark Twain, marvelled at the magnificence of his surroundings rather than the paucity of his lodgings. The secret of Mauritius' appeal has always been its unspoilt natural beauty, but today's visitors can rely on finding world class facilities as well.

National independence in 1968 marked the start of a new era. The economy, which had relied almost entirely on the annual sugar cane crop, took on a fresh lease of life. Within a few years, four luxury hotels had been built and their immediate success soon attracted further foreign investment. With the government's assistance and the growth of Mauritius' own national airline, selective tourism flourished. The statistics tell their own story. In 1968 there were only 15,000 visitors, by 1986 over ten times that number were expected. The industry has become the third largest in the island and now involves nearly 10 percent of the entire population.

Today the Mauritian Association of Hoteliers and Restaurateurs (AHRIM) includes 32 hotels and 16 restaurants. From luxury hotels such as the Trou aux Biches, La Pirogue or Le Touessrok to small seaside resorts such as the Villa Caroline and Etoile de Mer, they all reach international standards.

Professional hoteliers claim that a luxury hotel should cater for no more than 400 guests. In Mauritius, with its limited edition of 2500 rooms, every visitor is a VIP.

Mauritius has always welcomed the traveller to its shores. Its cosmopolitan blend of Indian, Asian, Chinese, African and European influences has produced a race of people that are unique, unforgettable and a joy to know. Furthermore, over 90 percent of them are bilingual.

In the hotels and restaurants food is the order of the day. Close your eyes and you could be in a Rive Gauche café, the heart of Madras, Beijing or Port-au-Prince. As well as French, Indian, Chinese and Creole delicacies, there is an ecletic, island cuisine that draws on all four traditions. The local seafood is excellent and most menus also offer venison, hare and wild boar as well as fresh tropical fruit.

Nearly all the beach hotels provide amenities for tennis, golf, swimming, water-skiing, sailing, snorkeling and fishing. Divers can explore the rich variety of life in the water round the island; deep sea fishermen can enjoy the chase for blue and black marlin, wahoo, shark or tuna. Each evening the entertainment continues with live music, discotheques, a dance show or turn in the casino. Outside, there is always the quiet of the night and a sky full of stars to dream by.

During the International Ocean Festival, this exclusive stretch of the Indian Ocean is certain to be lovelier, livelier, more welcoming than ever. But for those who have already experienced her magic and her mystery, she remains as constant and unchanging as the sea.

Hotels Members of AHRIM:

Arc en Ciel, Auberge du Petit Cerf, Auberge Isle de France, Beachcomber Club, Belle Mare Plage, Blue Lagoon, Casuarina Village Vacances, Centre de Pêche, Charlerol, Compagnie des Orchidées, Continental, El Monaco, Etoile de Mer, Gold Crest, Hibiscus Village Vacances, La Pirogue, La Croix du Sud, Le Kestrel, Le Saint Géran, Le Touessrok, Les Hotels du Morne, Merville, Pearl Beach Sunset, PLM Azur, Royal Palm, Riverside, Rivière Noire Hotel, Shangai, Tamarin, Trou-aux-Biches, Villas Caroline, Villas Pointe aux Roches.

Restaurant Members of AHRIM:

Au Gourmet, Blue Mauritius, Carri Poulé, Dragon d'Or (Lai Min), Ile aux Cerfs, La Bonne Marmite, La Flore Litée, La Méditérande, La Nouvelle Potinière, Rolly's Steak House, Sakura, Tropicana.

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
NiaMP	102,435	15⅛	15⅛	15⅛	— ⅛
ChrysS	22717	45⅞	45⅞	45⅞	+ ⅞
IBM	21108	175	172	173¼	— ¼
CNW	20825	44½	39⅞	39⅞	+13⅛
HomeS	20135	15⅛	15½	15⅛	+ ⅛
GenEls	19859	64⅞	63⅞	63⅞	— ⅞
PardYn	19642	8⅞	7⅞	8⅛	+1
LomFns	19541	32⅞	31	31½	—1⅜
NevisPr	19291	7⅞	7⅞	7½	— ⅛
GMot	18501	94	90⅞	93½	+2
Transm	18241	48½	44½	48½	+3⅜
NwMS	17427	84	79⅞	79⅞	+2⅞
WellJ s	16702	61	60½	60½	+ ⅞
AT&T	16035	35	34⅞	34⅞	— ⅛
PacTel s	12991	30⅞	29½	30½	+1⅜

Market Sales

NYSE 4 p.m. volume	194,129,000
NYSE prev. cons. close	236,994,855
Amex 4 p.m. volume	13,450,000
Amex prev. cons. close	14,020,000
OTC 4 p.m. volume	147,445,400
OTC prev. 4 p.m. volume	140,212,300
NYSE volume up	74,238,780
NYSE volume down	101,087,420
Amex volume up	5,791,218
Amex volume down	8,440,178
OTC volume up	53,305,829
OTC volume down	41,531,715

NYSE Index

	High	Low	Close	Ch'ge
Composite	187.62	186.45	186.60	— 0.34
Industrials	229.92	228.47	228.57	— 0.75
Transp.	168.34	166.74	168.20	+ 1.28
Utilities	80.20	79.53	80.10	+ 0.58
Finance	165.23	164.42	164.62	— 0.05

Friday's NYSE Closing

Via The Associated Press

AMEX Diary

	Close	Prev.
Advanced	313	317
Declined	343	342
Unchanged	241	247
Total Issues	919	906
New Highs	22	49
New Lows	14	12

NASDAQ Index

	Close	Ch'ge	Week Ago	Year Ago
Composite	451.61	+0.86	442.98	280.18
Industrials	479.39	— 1.45	475.04	376.47
Finance	536.30	+3.70	528.82	321.99
Insurance	465.29	+0.96	460.96	444.80
Utilities	428.44	+0.63	422.55	344.30
Banks	1668.43	+6.87	1650.86	637.03
Transp.	433.08	— 1.87	435.19	354.04

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
EchBrg s	10457	26⅞	24⅞	25	—1⅜
HmWar	8242	12⅞	11⅞	12½	+ ⅞
BlackE	5389	5⅞	5⅞	5⅞	— ⅛
LorTel	5184	16	14⅞	15⅞	+ ⅞
AExPF wt	4315	3⅞	3⅞	3⅞	+ ⅛
BAT	4217	10⅞	10⅞	10⅞	+ ⅛
LilVer n	3795	15⅞	14⅞	15⅞	
Arnldsl	3442	44	42⅞	43⅞	— ½
Wangb	2351	18⅞	17⅞	18	— ⅛
WDistl	2188	28⅞	27	28	+1
HevrE s	2147	17⅞	16⅞	17⅞	+ ⅛
TexAir	2083	36½	36⅞	36⅞	— ⅛
NYTime s	1622	47⅞	47	47½	+ ⅛
ImpOil g	1472	40⅞	39⅞	40⅞	— ⅛
NRMAc pf	1326	16⅞	15	16⅞	+2

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	87.86	+ 0.12
Utilities	88.13	+ 0.13
Industrials	87.59	+ 0.10

NYSE Diary

	Close	Prev.
Advanced	749	961
Declined	654	495
Unchanged	428	364
Total Issues	2831	2820
New Highs	135	155
New Lows	13	14

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh'rt
Aug. 13	487,157	474,312	778
Aug. 12	449,495	413,443	1,142
Aug. 11	517,775	511,266	3,523
Aug. 10	334,961	378,292	453
Aug. 7	316,097	344,199	974

*Included in the sales figures

Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	2675.22	2713.23	2660.08	2685.42	— 4.86
Trans	1095.63	1110.12	1090.89	1101.14	+ 1.19
Util	211.45	214.91	210.44	213.79	+ 0.83
Comp	984.21	998.08	978.92	989.08	— 0.52

Standard & Poor's Index

	High	Low	Close	Ch'ge
Industrials	391.99	388.27	389.36	— 1.31
Transp.	274.76	271.83	274.20	+ 0.94
Utilities	121.05	119.06	120.59	+ 0.77
Finance	32.60	32.16	32.33	— 0.02
SP 500	336.08	332.63	333.97	— 0.46
SP 100	—	—	329.38	— 0.76

NASDAQ Diary

	Close	Prev.
Advanced	1,143	1,334
Declined	1,151	1,138
Unchanged	2,472	2,430
Total Issues	4,766	4,702

AMEX Stock Index

High	Low	Close	Ch'ge
365.03	358.44	363.61	— 1.40

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Dow Again Flirts With 2,700

United Press International

NEW YORK — Prices on the New York Stock Exchange ended slightly lower Friday in active trading, with profit-taking blamed for the market's inability to push the Dow Jones industrial average to a close above 2,700.

The Dow, which pierced 2,700 for the second time in as many days, fell 6.06 points from Thursday's record to close at 2,685.43.

For the week, however, the Dow jumped 93.43 points. It cracked the 2,600 level for the first time Monday.

Declines outnumbered advances by a 17-15 ratio. Volume was about 196.12 million shares, down from 217.1 million Thursday.

The activity Friday "is an example of the kind of market we've had," said Hugh Johnson, head of the investment policy committee at First Albany Corp. "It was given a real knockout punch in the form of the trade data, but this fighter got up from the canvas and was ready to go again."

Mr. Johnson was referring to the Commerce Department report Friday showing the U.S. merchandise trade deficit widened to $15.7 billion in June from a revised $14.04 billion shortfall in May.

"This is clear evidence of the market's underlying strength," Mr. Johnson said, referring to the NYSE. "I think you would have to call today very impressive. When you have had such a runup you must expect some profit-taking.

"The trade data was a good excuse to get this market really nailed, but it handled some pretty negative, tough stuff," he said.

Mr. Johnson said that the market was the beneficiary of a "significant pool of liquidity that exist on a worldwide basis. Foreign investors are buying stocks and bonds without fear of losing their shirts when they convert back to their own currencies."

Ralph Acampora, director of technical research at Kidder, Peabody & Co., said, "The market opened a little weak this morning, which is normal in light of the past few days. The blue-chip leadership may be a little tired."

But he added, "Any pause will be just that, a near-term pull-back that will translate into a buying opportunity."

Niagara Mohawk was the most active NYSE-listed issue, down ⅛ to 15¼.

Chrysler followed, up ¾ to 45¼.

IBM was third, down ⅛ to 173¼.

AT&T slipped ⅛ to 34¾.

In other technology-related stocks, Digital Equipment was unchanged at 183½. Honeywell lost ½ to 88, NCR was off ¼ to 84¼ and Unisys was down ¼ to 47½.

General Motors gained 2 to 93½ and Ford was up ¾ to 109⅞.

Among other blue chips, General Electric *was off ¼ to 64. Merck fell ⅛ to 204⅜*, USX was down ⅜ to 37⅞. Sears was off ¼ to 58½, Kodak slipped ¼ to 100, Union Carbide gained ⅛ to 28⅞ and Goodyear was down 1½ to 73¼.

Prices were lower in active trading of American Stock Exchange issues.

Echo Bay Mines led the Amex actives, down 1⅜ to 25.

The American Stock Exchange index fell 1.40 to 363.61 and the price of an average Amex share fell 7 cents.

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
		A								
36⅞	28⅞	AARS	.50	1.4	23	60	35½	34⅞	35	— ⅛
37	22	ADT	.92	2.7	19	1328	34⅞	33½	34¼	+1⅜
31¼	16⅞	AFG s	.16	.5	10	375	20½	28⅞	29½	+ ½
22⅞	8⅞	AGS s			18	644	20¼	19½	19⅞	— ⅛
10⅞	6⅞	AMCA				125	9⅞	9⅞	9⅞	
9⅞	4⅞	AM Intl				2499	6⅞	7⅞	8⅞	+ ⅛
22⅞	24½	AM Int pf	2.00	7.0		63	29	28½	28½	— ⅛
45½	30⅞	AMR			13	5253	45½	44½	44⅞	— ⅛
37½	20⅞	ANR pl	2.67	10.5		5	25½	25½	25½	
11⅞	8⅞	ARX s			12	22	10½	10½	10⅞	+ ⅛
73½	31⅞	ASA	2.00e	3.1		1281	65⅞	64	64⅞	+ ⅛
20	9⅞	AVX		1.8	36	158	18⅞	18	18⅞	+ ⅛
67	41	AbtLab	1.00	1.5	25	4004	65⅞	64¼	64⅞	— ⅞
28	24¼	AbitBi g				138	27	26⅞	27	
16⅞	9	AcmeC	.40	2.6	16	64	15⅞	15½	15⅞	— ⅛
9⅞	6⅞	AcmeE	.32b	3.5	34	77	9½	9¼	9¼	
23⅞	19	AdaEx	3.42e	15.4		174	22½	22⅞	22⅞	+ ⅛
19½	11⅞	AdmMls	.24	1.6	12	12	15⅞	14⅞	15⅞	+ ½
25⅞	12⅞	AdvSys	.62t	2.5	18	169	25⅞	25	25⅞	— ⅛
34⅞	27	AMD				4434	28½	26	26	— ⅛
11⅞	5⅞	AMD pf	3.00	5.7		432	53⅞	52⅞	52⅞	
20½	14⅞	Adob pf	1.84	9.3		21	20	19⅞	19⅞	— ⅛
21⅞	17	Adob pl	2.40	11.2		5	21	21	21	
18	10⅞	Advsyl	.12b	1.2	10	104	12⅞	12⅞	12⅞	— ½
68¼	52	AetLf	2.74	4.5	9	4845	61⅞	61⅞	61⅞	— ⅛
99	87½	AetL pfC	4.70e	4.9			96½	96½	96½	+ ½
80½	28½	AffilPb s	.72		23	778	75	73⅞	73⅞	—3½
27⅞	18⅞	Ahmans	.88	3.9	8	5540	22⅞	22½	22½	— ⅛
5⅞	3⅞	Aileen				73	3⅞	3⅞	3⅞	
52⅞	29⅞	AirPrd	1.00	1.9	23	792	51⅞	51⅞	51⅞	— ⅜
15	17⅞	AirbFrt	.60	2.3	21	57	26⅞	26⅞	26⅞	— ⅛
15	7⅞	Airson n				57	13⅞	12⅞	13¼	+ ⅜
28⅞	16⅞	Airlse n	1.57e	9.0		76	17⅞	17½	17½	— ⅛
		AlMason				70	3⅞		3⅞	
28	25⅞	AlaP pf	1.840	6.9		2	26⅞	26⅞	26⅞	
11⅞	7⅞	AlaP pf	.87	9.1		1	9⅞	9⅞	9⅞	
104½	93⅞	AlaP pf	9.00	9.3		160z	97⅞	97⅞	97⅞	+ ⅛
110⅞	103⅞	AlaP pl	11.00	10.2		720z	107⅞	107⅞	107⅞	— ⅛
108	88	AlaP pl	9.44	9.3		100z	101	101	101	— ⅛
98½	85	AlaP pf	8.28	9.4		640z	88½	87½	88	— ½
27⅞	14⅞	AlskAir	.16	.7	15	2945	22	22	22⅞	— ⅛
28	13⅞	Alberto	.24	.9	20	148	27⅞	27⅞	27⅞	
23⅞	15⅞	AlbertA	.54	3.0	9	88	23	22⅞	23	+ ½
43	40⅞	Albtsns	.96	1.6	19	272	60	59½	60	
37⅞	18⅞	Alcan s	.60	1.7	21	2726	34⅞	34½	34⅞	— ⅛
28	18½	AlcoS s			19	1020	20⅞	20⅞	20⅞	— ⅛
42⅞	25⅞	AlexAl	1.00	3.9	23	478	25⅞	25⅞	25½	— ⅛
59½	36⅞	Alexdr			73	7	47½	47½	47½	— ⅛
88	48½	AllegCp				15	88½	87½	88½	+ ⅜
24⅞	11⅞	AllnInt				1432	14⅞	14⅞	14⅞	— ⅛
20⅞	15⅞	Allnlnpr				2	17⅞	17⅞	17⅞	— ⅛
86½	42⅞	Allpl pfC				3	79⅞	79⅞	79⅞	— ⅛
34	26	AllpLud n				197	30½	30	30⅞	— ⅛
53⅞	32⅞	AllgPw	2.92	7.3	10	9427	40⅞	39½	40	+1⅜
101⅞	49⅞	Allstls	1.00	1.0	32	8068	97⅞	95½	97	+1½
21	14½	AllenG	.54	3.3		189	17⅞	16⅞	17⅞	+ ½
25	19⅞	Allen pf	1.75	8.2		22	21⅞	21⅞	21⅞	— ⅛
45⅞	25⅞	AllidPd			11	109	27⅞	27⅞	27⅞	— ⅛
47⅞	34⅞	AldSignl	1.80	3.8	15	1627	48⅞	47½	47⅞	— ⅛
3⅞	2	vIAlfsC				274	2⅞	2⅞	2⅞	+ ⅛
27½	16½	AllsCp f				12	17⅞	17⅞	17⅞	
33	23⅞	ALLTL s	1.36	4.4	17	393	31⅞	30⅞	31	+ ⅛
64⅞	52⅞	Alcoa	1.20	2.0		4674	60⅞	59⅞	60⅞	— ⅛
32	27⅞	AmzGn	.02e	.1		634	29⅞	29	29⅞	— ⅛
29⅞	11⅞	Amax			24	6740	27½	26	26⅞	—1⅛
49⅞	32½	Amax pf	3.00	6.7		45	45	45	45	—1⅛
41⅞	18⅞	AmNet	.15e	.4	12	7421	37⅞	36⅞	36⅞	—1⅜
18⅞	6⅞	AHess pf	3.50	2.2		11	157	156	156	—4½
25⅞	5⅞	ABrck s				4566	24½	21⅞	22	—2
31	21⅞	ABrnd s	2.08	4.0	15	3386	52½	51⅞	51⅞	— ⅜
34⅞	31⅞	ABrd pf	2.75	8.5		245	32½	32½	32½	+ ⅛
106	83⅞	ABrd pl	2.67	2.6		3	104	103	104	+1
28	21⅞	ABldAl	.90	3.7	18	33	24⅞	24⅞	24⅞	+ ⅛
32⅞	22⅞	ABusPr	.60	2.8	17	8	21⅞	21⅞	21⅞	— ⅛
25⅞	20⅞	ACapBd	2.20	10.2		73	21½	21⅞	21½	
35⅞	30⅞	ACapCv	5.02e	14.6		46	31½	31	31⅞	— ⅛
24⅞	14⅞	ACMR	1.00e	5.2	12	65	19½	17⅞	19⅞	— ⅛
9⅞	3⅞	ACmHC				3	3⅞	3⅞	3⅞	+ ⅛
57	36	ACyan s			21	1461	55⅞	53½	53⅞	— ⅛
31⅞	25	AEPw	2.24e	8.0	10	7818	28⅞	28	28⅞	
48⅞	36⅞	AExp s	.74	1.9	17	12188	39⅞	39	39⅞	— ⅛
18⅞	12	AFarm s	.32	1.4	15	2	14½	14½	14½	— ⅛
44⅞	34⅞	AGnCo	1.25	3.1	9	4947	41⅞	40⅞	40⅞	—1⅛
20	14⅞	AGnl wt				1561	18⅞	17⅞	17⅞	— ⅛
21	15⅞	AHlIP n	.72e	4.4		142	16½	16½	16½	— ⅛
34⅞	25⅞	AHlth s	.96	3.0	8	222	32	31⅞	31⅞	— ⅛
11⅞	6⅞	AHolst				112	10⅞	9⅞	9⅞	—1½
34⅞	18⅞	AHolst pf	1.95	6.5		3	23⅞	23	23	
95⅞	71⅞	AHome	3.34	3.5	18	2417	96⅞	95	95⅞	+ ⅛
31½	22⅞	AHome s	5.00	5.2	12	3432	96	95⅞	96	+ ⅛
82	54⅞	AInGrs	.25	.3	19	6729	79	77⅞	78	— ⅛
20⅞	13⅞	AMtl	.72	3.4	74	1526	21½	19⅞	20	— ⅛
51	21⅞	APresd	.50	1.0	18	282	48½	45	45	— ⅜
8⅞	3⅞	APrpd pf	3.50	4.0		1	84½	84½	84½	— ⅛
17⅞	15	AResI n				242	16⅞	16	16	— ⅛
19⅞	11⅞	ASLFla			3	395	15⅞	15⅞	15⅞	
34⅞	20	ASLFl pf	2.19	10.6		12	21	20⅞	20⅞	— ⅛
7⅞	3⅞	ASHG	.17	3.7		21	7⅞	7⅞	7⅞	
51	36	AmStd	1.80	3.4	14	736	52⅞	51	52⅞	+1½
85⅞	51⅞	AmStor	.84	1.0	22	515	86	84	85⅞	+1⅜
92½	63⅞	ASfr pfA	4.38	4.7		77	93½	93⅞	93⅞	+ ⅜
60⅞	54½	ASfr pfB	6.80	12.1		5	56	56	56	— ½
35⅞	22⅞	AT&T	1.20	3.5	25	16034	35	34⅞	34⅞	— ⅛
52⅞	48⅞	AT&T pf	3.64	7.1		9	51	51	51	
55⅞	45⅞	AT&T pf	3.74	7.4		13	50⅞	50⅞	50⅞	
25⅞	17½	AmWtr s	.64	3.4	10	458	19⅞	18⅞	18⅞	+ ⅛
13½	9⅞	AmHell				243	12⅞	12⅞	12⅞	+ ⅛
82	75	ATr pf	6.27	7.7		6	81½	81½	81½	+ ⅛
47⅞	35⅞	ATr sc				41	48⅞	48⅞	48⅞	+ ⅜
35⅞	25	Ameron	.96	2.8	9	16	34½	34½	34½	+ ⅛
39⅞	19⅞	AmesDp	.10	.4	36	976	27⅞	27½	27⅞	— ⅛
31	24⅞	Ametek	1.00	2.7	21	202	37⅞	37⅞	37⅞	
39⅞	31⅞	AmwtrC	1.08	3.3	17	57	32⅞	32⅞	32⅞	— ⅛
31⅞	21½	Amfac				670	34⅞	34⅞	34⅞	+ ½
34	25⅞	Amfac pf	1.67	5.8		2	32⅞	32⅞	32⅞	+ ⅛
8	1½	vIAmfac				44	2⅞	2⅞	2⅞	+ ⅛
47⅞	32⅞	Amoco	3.30	4.1	28	4073	81⅞	80⅞	81⅞	
66⅞	35	AMP	.90	1.4	34	1311	65	64⅞	65	
18⅞	12⅞	Ampco	.20	1.7		14	17½	17⅞	17½	— ⅛
23⅞	16½	Amrs s				528	20⅞	20½	20⅞	
25⅞	19⅞	Amrsq s			16	52	15	14⅞	15	
31⅞	28⅞	AmSth	1.16	3.7	10	98	31½	31⅞	31½	
19⅞	7⅞	Anacmp			35	1452	9⅞	9⅞	9⅞	
33⅞	18⅞	AnadrK	.30	1.0		3858	29⅞	28⅞	29⅞	— ⅛
23⅞	16⅞	Andrg				421	21⅞	21⅞	21⅞	— ⅛
20⅞	10⅞	AnchG s	.08	.3	16	996	27⅞	26½	26½	— ⅛
14⅞	22	Anselc	.72	3.3	17	105	31½	31	31⅞	— ⅛
16	12⅞	AngloCr n	1.37	11.4		12	12⅞	12⅞	12⅞	
23⅞	13⅞	Anheu s	.44	.2	21	6339	20½	19⅞	20	— ⅛
151⅞	63⅞	Anheu pr	3.60	2.4		12	151½	150½	150⅞	— ⅛
13⅞	6⅞	Anthm s			44	223	14	13⅞	14	—1
15⅞	8⅞	Anthony	.44	3.1	33	88	14⅞	14⅞	14⅞	— ½
31½	23⅞	Asn Cp s	1.20	4.3	8	1568	29⅞	28½	28⅞	+ ⅛
12⅞	9⅞	ApacHt	.28	2.4		292	11⅞	11½	11⅞	
11⅞	6	ApCP un	.70	9.2		295	7⅞	7⅞	7⅞	+ ½
94⅞	76½	AsPw pf	7.40	9.1		200z	81½	81½	81½	
33½	20	AsPw pf	4.18	13.4		8	31⅞	31⅞	31⅞	— ½
31½	24⅞	AsPw pf	2.86	10.3		5	31	31	31	
40⅞	12⅞	AstWe			24	978	35⅞	35½	35½	
37⅞	27⅞	ArchDn	.10b	.4	17	3710	27⅞	26⅞	26⅞	— ⅛
36½	17⅞	ArbtrR	.34e	1.0	18	496	34⅞	34⅞	34⅞	— ⅛
31⅞	14⅞	ArbMrt s	.30	1.9	18	463	19½	19	19⅞	+ ⅛
26⅞	18⅞	Arkla	1.68	6.2	20	1399	26½	25⅞	26	+ ⅛
59	48½	Arkla pf	3.08	5.6		9	53½	53½	53½	
15⅞	8⅞	Armada			32	20	9⅞	9⅞	9⅞	
19	12	Armco			17	1297	13	13	13½	+ ⅛
25⅞	13	Armc pf	2.10	8.8		2	23⅞	23⅞	23⅞	— ⅛
45⅞	40	Armc pf	4.50	10.1		2	44½	44½	44½	— ⅛
47⅞	24⅞	ArmWl s	.90	2.5	15	2977	44½	42½	43½	+ ⅞
32	27⅞	Armtek	.48	2.0	15	80	23⅞	23½	23⅞	
9⅞	3⅞	ArowE	.20i			3277	10⅞	9½	10	+ ½
19⅞	9⅞	ArowE pf	1.94	10.3		523	19	18⅞	19	+ ⅛
53	28⅞	Artra			49	312	31⅞	31½	31⅞	+ ⅛
53	29⅞	Arvin	.68	1.5	14	44	36⅞	36⅞	36⅞	
33⅞	12⅞	Asarco				1382	29⅞	29	29⅞	— ½
33⅞	21⅞	AshLand	1.00	2.7	21	2148	37⅞	36⅞	37⅞	— ⅛
11⅞	9⅞	AshPet n				231	11	11	11	— ½
15⅞	9⅞	AtlSos			11	39	11⅞	11⅞	11⅞	+ ½
23⅞	15⅞	Athlone	1.40	9.0	143	1203	16	15⅞	16	+ ⅛
46⅞	32⅞	AtCyEl	2.40	7.5	11	3⅞	32⅞	32⅞	32⅞	+ ⅛
99⅞	51⅞	AtRich	4.00	4.3	24	3372	95½	94½	94½	—1
225⅞	123	AtRc pr	2.80	1.2		2	227½	225⅞	225⅞	—2½
30⅞	13⅞	AtlasCr			15	197	24	22⅞	24	— ⅛
12	5⅞	AudVd			40	459	23⅞	22⅞	23⅞	— ⅛
28⅞	15	Ausmt	.32	1.3	14	1082	24⅞	23⅞	24⅞	— ⅛
52⅞	29⅞	AutoDt	.44	1.0	22	423	53½	52⅞	53⅞	— ⅛
7⅞	3⅞	Avalon	.30e	3.5	12	423	7⅞	7⅞	7⅞	+ ⅛
25⅞	12⅞	AVMC s	.20	1.2	14	115	24⅞	22⅞	24½	+ ⅛
29⅞	18⅞	Avery s				23	29	29	29	— ⅛
36⅞	25⅞	Avnet	.50	1.4	11	1234	36⅞	35⅞	36⅞	+ ⅛
38⅞	34⅞	Avon	2.00	5.2	17	8422	38½	37⅞	38½	+ ⅛
37⅞	17½	Aydin			16	94	22	21½	21½	— ⅛
		B								
17⅞	16⅞	BET n				255	17	16⅞	16⅞	
9⅞	4⅞	BMC				54	8⅞	8⅞	8⅞	+ ⅛
41½	23½	Baincp	.20	1.7	16	209	41⅞	41	41	— ⅛
25⅞	15⅞	BkNtn n	.44	1.8		4701	25	23½	25⅞	—1⅛
67	56½	BkTrl pf	2.88	5.4		153	65½	64⅞	64⅞	—1⅛
24⅞	17⅞	Baldor	.40	2.1	23	388	44⅞	44⅞	44⅞	— ⅛
48½	34⅞	Baldwin	.96	2.1	17	308	46⅞	45⅞	46⅞	+ ⅛
29⅞	26⅞	BallMd	.20	.8	16	2106	29⅞	29⅞	29⅞	+ ⅛
31⅞	26⅞	BallCE	1.92	6.3	10	1737	30⅞	30⅞	30⅞	+ ⅛
64	54⅞	Ball pfB	5.50	8.8		14	63	63	63	— ⅛
28⅞	22⅞	BncOne	.92	3.3	14	1686	28	27⅞	28	— ⅛
21⅞	18⅞	BncChr n				2374	21⅞	21	21⅞	— ⅛
53⅞	38	BnSant n				378	51⅞	51⅞	51⅞	+ ⅛
4⅞	3½	BanTx n				907	4⅞	3⅞	4⅞	+ ⅛
69	57	Bandag	.70	1.0	20	183	68⅞	67⅞	68½	+ ⅛
38	24⅞	BkBost	1.00	2.8	20	539	36⅞	35⅞	36⅞	+ ⅛
52⅞	47⅞	BkB pfA	3.09e	5.9		1	52	52	52	— ⅛
52⅞	47⅞	BkB pfB	3.09e	5.9		1	52	52	52	— ⅛
34⅞	22	BkB pfC	5.44e	9.7		5400z	56⅞	56⅞	56⅞	+ ⅛
45⅞	37⅞	BkNY s	1.68	3.7	16	485	45⅞	45	45	— ⅛
17⅞	9⅞	BnkAm				7712	12⅞	12½	12⅞	+ ⅛
10⅞	7⅞	BkAm	3.20e	9.8		77	33⅞	33⅞	33⅞	+ ⅛
45	34⅞	BkAm pf	4.08e	10.0		1	41	41	41	
11⅞	7⅞	BkAt pf	.80			223	7⅞	7⅞	7⅞	— ⅛
35⅞	25⅞	BkAtl

Herald International Tribune

BUSINESS/FINANCE

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ECONOMIC SCENE

U.S. Corporate Wisdom: If You Can't Beat 'em, Quit

By LESTER C. THUROW
Los Angeles Times Service

LOS ANGELES — Every country has a comparative advantage — the thing it does best. The problem is to figure out where one's comparative advantage lies. So among all the things that America does, what does it do best? The answer is very simple. What American companies do best is go out of business. No one in the world goes out of business faster, with less cost, or with less regret than U.S. companies.

Recently I was talking with some consultants in a strategic planning firm about situations in which Japanese, European and American companies find themselves in an industry with excess capacity. The planners said that they always tell their American clients to go out of business.

U.S. firms are the best at going out of business, and wrecking a company pays better than building one.

The Japanese mind-set, however, is against abandoning an industry; Japanese companies are willing to listen only to strategies for conquering an industry. In the game of economics, the Japanese know only how to play offense.

The Europeans also are uninterested in strategies for going out of business. They remind their consultants that their government regulations require them to hold on to their employees so long and make it so difficult to fire anyone or to close down a facility that it is simply too expensive to go out of business.

No matter how much money they are losing in the industry, they would lose more if they left it. They are interested in advice only about holding onto existing market share. If necessary, the Europeans are willing to play defense forever in economics.

Given this reality — the Japanese won't leave, the Europeans can't leave — the consulting firm reports its intelligence to its U.S. clients and recommends that they promptly abandon the industry. With offensive and defensive positions already taken, there is no room for American players. Usually this advice is taken without grumbling.

If you wished to design an economy that specialized in going out of business, you could not have designed a better one than the U.S. economy. America is the only country in the world where labor is genuinely a variable cost. Workers can be fired instantly with no severance pay. In fact, no large payments have to be made to labor if you want to get out of a business.

ON the capital side, demands for high rates of return on investment mean that U.S. companies fall below their capital hurdle rates before foreign companies do. In other words, Americans will quit investing in new facilities while the Europeans and Japanese still are investing. This leaves Americans with older, more fully depreciated capital equipment. The result is fewer unrecovered capital costs when one abandons a production facility. The capital costs of leaving an industry are usually much lower for Americans.

Mergers, leveraged buyouts and hostile takeovers mean there is a ready market for getting out of business. Industrial fire sales are common and the necessary markets are well-developed.

In fact, if Americans do not get out of a business on their own, they are likely to be taken over by those who specialize in throwing companies out of businesses. If the takeover artists throw your company out of a business before you do, however, they are apt to throw you out with the business. "Get out before you are thrown out" might be the motto of American managers.

In the United States, to go out of business is not the end of the line in one's career as it usually is abroad. A bright new future dawns. Using hostile takeovers, you can always imagine going into exciting new businesses. Even better, you can become a hostile takeover specialist with no intention of ever running anything for long.

If you join the financial wrecking industry, you are joining America's most profitable industry. In what other country does

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U.K. Firm May Bid For Stores

Mountleigh Aims At Conran Chain

The Associated Press

LONDON — Mountleigh Group PLC, a property company, said Friday that it was considering bidding for Storehouse PLC, Sir Terence Conran's retail chain, which has been at the center of takeover speculation.

Storehouse replied that "any offer would be unwelcome, opportunistic and wholly lacking in commercial logic."

It said it had not received a formal approach from Mountleigh and asked Mountleigh to clarify its intentions.

Mountleigh said its plans were at "a very early stage."

Mountleigh's financial adviser, Phillips & Drew, said the company was interested in buying Storehouse to sell off its pieces for a profit.

Storehouse operates about 900 stores in the United States and Europe that sell stylish furniture, houseware and clothes. The stores operate under the names of British Home Stores, Habitat, Mothercare and Conran's.

Mountleigh said it was pressured into making an announcement prematurely by the British Takeover Panel, which said that all interested parties had to declare their bid intentions.

"We feel a little hard done by being forced to be so candid," said James Hyslop, director of corporate finance at Phillips & Drew.

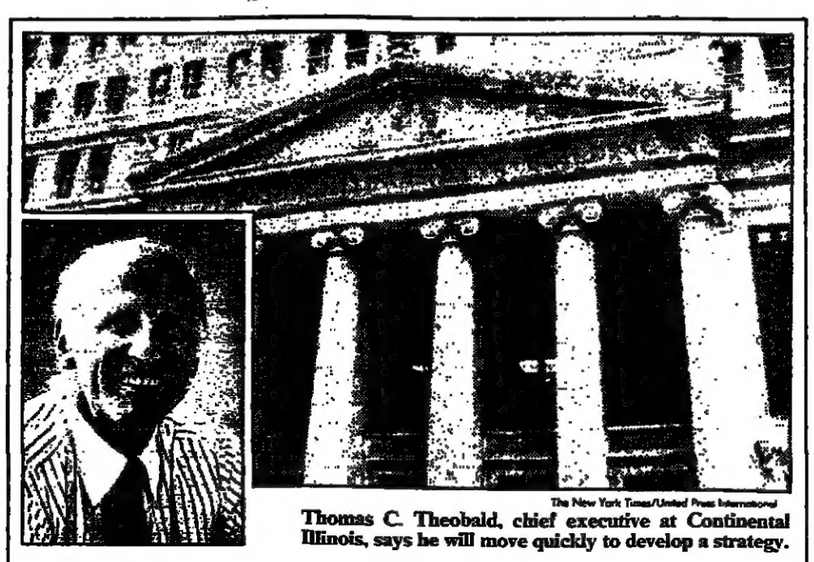
A bid for Storehouse has been expected after reports last month that competing British retailers had each acquired stakes of less than 5 percent in the company.

Market sources said at the time that the potential bidders included Woolworth Holdings PLC, Sears PLC and Burton Group PLC.

In a statement on Friday, Storehouse said, "The board will respond to any proposal if and when made, but wishes to reiterate that it believes shareholders' interests to be best served by the company retaining its independence."

The company urged shareholders not to sell their shares in the market.

Storehouse shares, which were trading at around 325 pence when speculation on a bid first emerged, closed Friday on the London Stock Exchange at 401 pence, up 37 pence on the day. Mountleigh was down 4 pence to 276 pence at the close.



The New York Times/United Press International

Thomas C. Theobald, chief executive at Continental Illinois, says he will move quickly to develop a strategy.

Continental in Search of a Strategy

New Chairman Faces Tough Job to Turn Bank Around

By Robert A. Bennett
New York Times Service

CHICAGO — Thomas C. Theobald has a big job ahead of him.

In taking over as chairman and chief executive of Continental Illinois Corp., the former Citicorp vice chairman will be heading an organization that remains crippled three years after the U.S. government rescued it from the brink of collapse.

This presents Mr. Theobald with the opportunity at Continental to create a turnaround similar to the one achieved by Alfred Brittain 3d at Bankers Trust Co. Bankers Trust was financially shaken in the mid-1970s yet today is one of the strongest and most profitable banks in the United States.

Some in the industry believe that Mr. Theobald may use a strategy similar to Mr. Brittain's, narrowing Continental's focus and turning it into the equivalent of a merchant bank, which combines the activities of a commercial and investment bank.

In July 1984, the Federal Deposit Insurance Corp. poured $5 billion into the bank when it nearly failed, largely because of huge problem loans to the energy business.

Three years later, the bank's earnings remain anemic. Had it not been for a slew of nonrecurring factors, it would have reported a loss in 1986.

Meanwhile, Continental has shrunk dramatically, from a peak of $47 billion in assets in 1981 to $33.4 billion currently. From the sixth-largest U.S. bank holding company in 1981, Continental has fallen to 14th.

But what many analysts find most distressing is that Continental has failed to develop a coherent long-term strategy.

"Continental has to find a raison d'être," said Stuart I. Greenbaum, professor of financial institutions at the Kellogg Graduate School of Management at Northwestern University, in Evanston, Illinois.

And James H. Wooden, senior vice president of Shearson Lehman Brothers, said, "What we have at Continental is a ship that has been foundering because of the infighting and turmoil between the two senior managers." He was referring to John E. Swearingen, who had been chairman of the holding company and is now chairman of the executive committee, and William S. Ogden, who resigned in mid-July as chairman of Continental Illinois National Bank & Trust Co.

Three years after a $5 billion rescue package, Continental Illinois has shrunk dramatically and its earnings remain anemic.

Mr. Wooden said it could be hoped that Mr. Theobald's appointment in July and Mr. Ogden's resignation will mean "that era has come to an end."

Mr. Theobald has declined to be interviewed since his appointment was announced July 27. And he has said little about his plans, except to tell Continental's employees that his first priority is to design a strategy and that he intends to move quickly.

Some analysts believe Mr. Theobald will try to keep Continental somewhat balanced, building a base of consumer deposits, serving middle-size companies in the Middle West and strengthening the bank's investment banking capabilities.

Others, however, predict he will take a more radical course along the lines of the strategy Mr. Brittain fashioned at Bankers Trust, focusing almost exclusively on providing sophisticated services for major corporations and governments around the globe. He would strip the bank of activities that fail to fit snugly into that strategy. He would, for example, get rid of Continental's small consumer-banking business and deal only with those medium-size companies that could make use of the bank's investment banking services.

Such an approach would draw on the primary strengths of both Mr. Theobald and Continental. Despite its problems of recent years, Continental still does business with 40 percent of the largest U.S. companies, according to its annual report. And Mr. Theobald spent almost his entire 27-year career at Citicorp dealing with big companies.

In this way, Mr. Theobald would be turning what has been a negative factor into a positive

See BANK, Page 13

Dollar Lower On Wider U.S. Trade Deficit

Reuters

NEW YORK — The dollar closed lower Friday in sometimes hectic trading in response to an unexpected widening in the U.S. merchandise trade deficit in June, dealers said.

After tumbling as much as two pfennigs and two yen in early activity, however, the dollar pared its losses as participants scooped up "cheap dollars" on bargain hunting and technical-related buying, dealers said.

The trade figures also caused prices on the New York Stock Exchange to fall at the opening, but the market recovered somewhat after the government released positive figures on wholesale prices, industrial production and business sales.

The dollar traded as low as 1.8675 Deutsche marks, but recovered to close at 1.8785, still down more than a pfennig from 1.8893 on Thursday.

It was a similar story against the yen. The dollar traded down to 149.40 yen, before closing at 150.10, nearly 1.5 yen lower than Thursday's closing of 151.525.

The dollar also closed at 6.2765 French francs, down from 6.3095, and at 1.5610 Swiss francs, down from 1.5695.

The dollar was also lower against the British pound, which closed at $1.5875, against $1.5790 Thursday.

The widening in the June trade deficit to $15.71 billion from $14.04 billion the previous month far exceeded market expectations of a trade gap of around $13 billion.

Participants had expected a narrowing deficit, in part because the June figures were revised to reflect previous underestimates of U.S. exports to Canada.

"When the figures first flashed, you could hear the jaws dropping around Wall Street," said Lawrence Ryan, senior vice president and manager for foreign exchange at European American Bank.

Dealers, in the words of one, were "flabbergasted" by the broadening of the trade figure.

They said that early trading was chaotic, with participants unloading dollar positions that had been taken taken on expectations of a trade improvement.

Consequently, the larger-than-expected rise in July in U.S. industrial output had little impact on the dollar, dealers said.

Nor did the slim rise in producer

See DOLLAR, Page 13

U.S. Wholesale Prices, Output, Business Sales Up

Compiled by Our Staff From Dispatches

WASHINGTON — The U.S. government issued a string of positive economic reports Friday that showed a modest increase in wholesale prices, a jump in industrial production and a healthy rise in business sales.

The data came in counterpoint to another report, startling to most analysts, that the merchandise trade deficit had widened in June to an apparent monthly record of $15.7 million.

The Labor Department said that wholesale prices edged up 0.2 percent in July. Large increases in gasoline and heating oil costs were offset by slightly lower food prices.

The July increase followed a 0.2 percent jump in June and a 0.3 percent rise in May. The report bolstered Reagan administration predictions that inflation would slow in the second half of 1987.

Meanwhile, production at U.S. factories, mines and utilities climbed 0.8 percent in July, the biggest rise in 15 months, with producers of business goods leading the way, the Federal Reserve said.

The 0.8 percent gain follows revised growth estimates of 0.7 percent in May and 0.4 percent in June. The May figure had been originally reported as 0.5 percent and the June gain at 0.2 percent.

The July increase in output was encouraging, with the gains widespread among products and materials, the Fed said.

Manufacturing output was up 0.8 percent in July after rising 0.3 percent in June. Production of durable goods, items expected to last three years or more, rose 0.8 percent while output of nondurable goods jumped 0.9 percent.

In a separate report, the Commerce Department said that U.S. business inventories rose $2.55 billion, or 0.4 percent, in June to a seasonally adjusted $674.16 billion, following a revised 0.9 percent increase in May.

The May rise in inventories had been reported at 0.7 percent. But business sales rose 1.5 percent in June after rising by 0.4 percent in May, the department said.

The wholesale price figures were especially encouraging. Inflation in wholesale prices had been running at an annual rate of 4.2 percent. July's increase, if it persisted for 12 months, would amount to an annual inflation rate of just 2 percent.

The Reagan administration is predicting that by the end of the year, increases in both wholesale and retail prices will slow by a full percentage point from the annualized gains recorded in the first six months of the year.

"After a temporary increase early this year, inflation is returning to the 4 percent range characteristic of the first three years of the current expansion," said Beryl W. Sprinkel, chairman of President Ronald Reagan's Council of Economic Advisers.

In the wholesale price report, the Labor Department said food prices dropped 0.6 percent after large advances in the preceding three months. Energy prices rose 1.5 percent, led by a 2.5 percent gain in gasoline prices.

Prices for products other than food and energy rose 0.2 percent, equal to the rise in the overall index. Capital equipment costs edged up 0.1 percent; consumer product costs gained 0.3 percent, and car prices were unchanged.

(AP, UPI, Reuters)

Currency Rates

Cross Rates *Aug. 14*

	$	£	D.M.	F.F.	Fl.L.	Ghr.	S.F.	S.F.	Yen
Amsterdam	2.1345	3.387	112.75 *	33.725 *	0.1556 *	—	1.436 *	128.62 *	140.22 v
Brussels(a)	39.3425	63.0025	20.7865	6.2165	2.868 *	18.4305	—	25.51	25.845 *
Frankfurt	1.8723	2.985	—	29.93 *	1.3795 x	88.69 *	4.012 *	110.34 *	1.244 *
London (b)	1.5875	—	2.9778	9.9485	2.3572.01	3.2573	61.825	2.4798	238.45
Milan	1,372.10	2,162.00	734.70	216.77	—	642.84	34.871	871.70	9.817
New York(c)	—	0.6299 =	1.5785	4.2765	1,160.00	2.118	39.05	1.561	150.30
Paris	6.327	9.978	3.342	—	4.61 x	2.9644	16.085 *	4.88	4.1578 *
Tokyo	152.15	240.17	80.35	24.07	11.11 *	71.40	387.64 *	96.82	—
Zurich	1.5578	2.4584	83.15 *	24.885 *	0.1148 *	73.74 *	4.0021 *	—	1.0377 *
1 ECU	1.0947	0.6929	2.0739	6.2277	1,069.62	2.338	43.8928	1.7237	144.793
1 SDR	1.2572	0.794	2.37	7.1199	N.Q.	2.6719	49.3474	N.Q.	166.303

Closings in London and Zurich, fixings in other European centers. New York rates at 4 P.M. (a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (*) Units of 100 (x) Units of 1,000 (v) Units of 10,000 N.Q.: not quoted; N.A.: not available. (=) To buy one pound: $U.S.1.5875

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	2.9510	Fin. markka	4.5625	Mex. peso	1453.00	S. Afr. rand	2.1066
Austral. $	1.4724	Greek druc.	142.40	N. Zealand $	1.7422	Soviet ruble	0.6493
Austr. schil.	13.34	Hong Kong $	7.8110	Nig. naira	3.8601	Span. peseta	128.29
Belg. fin. fr.	39.43	Indian rupee	13.0500	Norw. krone	6.8300	Swed. krona	6.5240
Brazil cruz.	44.44	Indo. rupiah	1650.00	Phil. peso	20.4500	Taiwan $	30.94
Canadian $	1.3320	Irish £	0.7052	Port. escudo	147.45	Thai baht	26.005
Chinese yuan	3.7221	Israeli shek.	1.6230	Saudi riyal	3.75	Turkish lira	865.00
Danish krone	7.2160	Kuwaiti dinar	0.2857	Sing. $	2.1045	UAE dirham	3.6729
Egypt. pound	2.1977	Malay. ring.	2.547	S. Kor. won	808.10	Venez. bolIv.	30.8000

£ Sterling: 1.1143 Irish £

Sources: Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, riyal, dirham); Gosbank (ruble). Other data from Reuters and AP.

Interest Rates

Eurocurrency Deposits *Aug. 14*

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR
1 month	6⅝-6⅞	3⅝-4	2 ½-2 ¾	—	7⅛-7⅜	6 ⅞-7 ⅛	5 ⅝
2 months	6 ⅝-6 ⅞	3 ⅝-4 ⅛	2⅝-2⅞	—	8⅛-8⅜	7 ⅛-7 ⅜	6 ⅛
3 months	6 ⅝-6 ⅞	3 ⅝-4 ⅛	2⅝-2⅞	N.A.	8⅛-8⅜	7⅛-7⅜	6⅛
6 months	7⅛-7⅜	4⅛-4⅜	3 ⅛-4 ⅛	—	8⅛-8⅜	7⅛-7⅜	6⅜
1 year	7⅞-7⅞	4⅝-4⅞	4-4⅛	—	8 ⅞-9 ⅛	7 ⅞-7 ⅞	6 ⅞

Sources: Morgan Guaranty (dollar, DM, SF, Pound, FF); Lloyds Bank (ECU); Reuters (SDR). Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates *Aug. 14*

United States	Close	Prev.
Discount rate	5½	5½
Prime rate	8½	8½
Federal funds	6 11/16	6 11/16
Com paper 90-179 days	6.44	6.44
3-month Treasury bills	5.95	5.95
6-month Treasury bills	6.03	6.00
3-month CDs	6.46	6.47
3-month CDs	6.52	6.53
Japan		
Discount rate	2½	2½
Call money	3 3/16	3⅛
3-month interbank	3 9/16	3 9/16
3-month interbank	3⅝	3⅝
West Germany		
Discount rate	3	3
Lombard rate	5	5
Overnight rate	3.85	3.85
1-month interbank	4.80	4.80
3-month interbank	4.85	4.85
6-month interbank	4.30	4.30
Britain		
Base loan rate	10	10
Call money	9½	9¾
3-month interbank	9 25/32	9 13/16
91-day Treasury bill	9 13/16	9 13/16
France		
Intervention rate	7½	7½
Call money	7 1/16	6 15/16
1-month interbank	7 9/16	7 9/16
3-month interbank	7⅝	7⅞
6-month interbank	8⅛	8⅛

Source: Reuters, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Asian Dollar Deposits *Aug. 14*

1 month	6⅝ - 6⅞
2 months	6 ⅝ - 6 ⅞
3 months	6 ⅝ - 6 ⅞
6 months	7 ⅛ - 7 ⅛
1 year	n.a. - n.a.

Source: Reuters.

U.S. Money Market Funds *Aug. 14*

Merrill Lynch Ready Assets 30-day average yield:	5.74
Telerate Interest Rate Index:	6.575

Source: Merrill Lynch, Telerate.

Gold

Aug. 14

	A.M.	P.M.	Ch'ge
Hong Kong	457.45	456.75	—4.20
Luxembourg	457.00	—	—4.00
Paris (12.5 kilo)	455.70	453.73	—5.02
Zurich	457.75	460.00	—2.75
London	457.40	460.00	—2.50
New York	—	462.45	—3.95

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.

Source: Reuters.

U.S. Spy Agencies' Do-It-Yourself Approach to Supercomputers

By David E. Sanger
New York Times Service

LANHAM, Maryland — More than three decades ago, after struggling through pioneering computer projects with names like Eniac, Ordvac and even Maniac, the U.S. government gave up trying to build the world's fastest computers by itself. The expense and the technological hurdles convinced officials that private industry was better equipped to define the state of the art.

Now, frustrated by the reluctance of major computer makers to plunge into a new, risky computer technology, the Defense Department and U.S. intelligence agencies are spending tens of millions of dollars in a renewed, largely secret effort to build their own machines.

In a sprawling unmarked building in Lanham, about 45 minutes from downtown Washington, the National Security Agency has assembled 40 of the top U.S. computer engineers at its new Supercomputing Research Center and hopes to recruit 60 more. Their task is to satiate the NSA's constant appetite for faster computers, the critical tools for everything from making and breaking codes to finding subtle changes in military sites photographed from spy satellites.

Ultimately, the center expects to build prototypes of highly specialized machines, a breed of supercomputers called parallel processors. Most experts believe these will eventually be able to outpace — by multiples of 10 or 100 — the fastest supercomputers now available.

"All that we are about here is speed," said Paul B. Schneck, director of the NSA research center, who previously spent two decades at the National Aeronautics and Space Administration and the Office of Naval Research.

"Parallel processing represents the only way to increase computer speeds dramatically," he said. "When it became clear that much of the industry wasn't coming along, for their own competitive reasons, we decided direct action was necessary."

Whether that direct action is wise, however, is already a subject of considerable debate within the industry. Executives of several leading manufacturers privately question whether the government has enough expertise to enter the tremendously expensive, complex world of supercomputer design.

Executives of several leading manufacturers question whether the government has enough expertise to enter the expensive, complex world of supercomputer design.

For their part, government officials suggest that the U.S. computer industry has grown too averse to risks to try to achieve the great gains in computing speed that the military requires. Major manufacturers have favored smaller improvements that protect their investments in current technology.

"The NSA should be commended for having the drive and commitment to try to solve some basic problems in computing," said David J. Kuck, a supercomputer expert at the University of Illinois at Urbana-Champaign, who several years ago turned down NSA overtures to lead the new venture.

"But I'm not sure," he added, echoing a commonly expressed view, "that the Defense Department and the intelligence agencies wouldn't be better served if they funded several multimillion-dollar-a-year programs in the universities and some small companies, where the work is in the open and the people are already in place."

It is too early to assess whether the NSA's do-it-yourself strategy will yield any fruit. But already there are reports that the research center is having some trouble attracting all the scientific expertise it needs. Computer entrepreneurs are reluctant to forgo the fortunes they might reap by starting their own companies. Many academics are wary of joining a project even partly enveloped in secrecy because the right to publish their research findings freely is important to them.

To counter such fears, the NSA has allowed the new research center to raise, at least partly, the curtain of secrecy.

Lately Mr. Schneck and others at the center have begun to talk in general terms about their plans at industry forums. They have answered reporters' questions. Last month the center began a new publication, the Journal of Supercomputing, edited by the center's deputy direc-

See COMPUTERS, Page 11

NYT

Paul B. Schneck, director of the National Security Agency's supercomputing research facility in Maryland, says, "All we are about here is speed." But, he adds, "What we saw was that the industry's advances in computing speed were slowing."

Probe at Bundesbank Pursues Possibility of Insider Trading

Reuters

FRANKFURT — Police officials said Friday that papers seized last week from a senior secretary at West Germany's central bank may have uncovered a case of trading on inside information.

Police raided the office and home of a secretary to the Bundesbank president, Karl Otto Pöhl, on the suspicion that she had sold information to a fugitive currency broker believed to be involved in a multimillion dollar fraud at Volkswagen AG. An arrest warrant for the broker, Joachim Schmidt, was issued in May.

Carl Hermann Retemeyer, chief prosecutor for the state of Brunswick, which is investigating the VW case, declined to give details of the papers seized from the secretary.

Mr. Retemeyer said the secretary hadn't been arrested and had refused to be questioned until she had consulted a lawyer.

Asked whether the papers could point to the sale of sensitive information from the central bank, Mr. Retemeyer said: "That is thoroughly possible.

"We know some things, we suspect many things and there are many things we do not know," he said.

Frankfurt bankers expressed shock that the VW investigation had spread to the Bundesbank.

Confidential information available to a secretary of the Bundesbank president could be worth millions of marks to a currency broker, dealers agreed.

Central bank decisions to change interest rates or to intervene in foreign exchange markets are carefully guarded. Such decisions typically result in sharp movements up or down for the target currencies, and in big profits or losses for brokers who are in the market at the time.

Friday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued)

U.S. Futures

Via The Associated Press

Aug. 14

Grains

Livestock

PORK BELLIES (CME)							
40,000 lbs.- cents per lb.							
92.50	56.00	Aug	65.35	65.35	65.35	65.35	—2.00
66.80	53.80	Feb	63.95	65.40	63.55	65.35	+1.15
66.45	53.55	Mar	63.40	65.00	63.35	64.90	+.98
66.55	57.00	May	64.00	64.55	63.95	64.97	+.72
74.50	58.00	Jul	64.00	64.00	63.50	64.00	
62.80	53.70	Aug				60.40	+.03

Est. Sales Prev. Sales 3,934
Prev. Day Open Int. 9,490 up 77

To Our Readers

Currency option prices were not available in this edition because of technical problems.

French Inflation Rate Rises Toward 3.5%

Reuters

PARIS — France's annual inflation rate edged up to between 3.4 and 3.5 percent in July from 3.3 percent in June, the Finance Ministry said Friday.

The stock and bond markets, which had been expecting a bigger increase, reacted enthusiastically, with share prices surging by nearly 2 percent.

Most economists said that the figures were better than expected in view of a surge in oil prices and the risk of "imported inflation" resulting from the recent rise in the dollar's exchange rate.

Retail prices rose between 0.2 and 0.3 percent in July from June, compared with a 0.2 percent gain the previous month.

Food

Metals

Financial

Industrials

Stock Indexes

NYSE COMP. INDEX (NYFE)							
points and cents							
188.40	122.90	Sep	186.70	188.40	186.20	187.70	—.05
190.30	140.30	Dec	188.30	190.45	188.10	189.50	—.05
191.70	158.60	Mar	189.80	191.50	189.80	191.10	
193.15	162.65	Jun	193.00	193.00	193.00	192.70	+.10
187.20	165.40	Sep				187.70	—.05
185.75	185.75	Dec				189.50	—.05

Est. Sales 14,016 Prev. Sales 11,487
Prev. Day Open Int. 17,116 up 87

Commodity Indexes

	Close	Previous
Moody's	1,040.40 f	1,035.60 f
Reuters	1,661.60	1,647.40
D.J. Futures	128.84	129.34
Com. Research	224.16	224.47

Moody's : base 100 : Dec. 31, 1931.
p - preliminary; f - final
Reuters : base 100 : Sep. 18, 1931.
Dow Jones : base 100 : Dec. 31, 1974.

Drexel to Apply For License For New Jersey Casino Business

Reuters

NEW YORK — Drexel Burnham Lambert Inc. has agreed to become the first investment banking firm to apply for licensing with the New Jersey Casino Control Commission, a state gaming department spokesman said Friday.

The division had decided, after investigation, that Drexel should be licensed because of the amount of financing business it does with casinos in Atlantic City. Drexel has 30 days to submit its application, the spokesman said.

Drexel has been involved in an investigation by the U.S. Securities and Exchange Commission in connection with insider trading. The casino commission can refuse to license a firm based on its character.

India's Coffee Export Income Climbs by 25%, to $276 Million

Agence France-Presse

NEW DELHI — The value of India's coffee exports hit a new high of $276 million in the fiscal year ended March 30, a 25 percent gain, the Press Trust of India reported Friday.

The 1986-87 figure exceeded the target for the fiscal year by almost $36 million, the news agency said.

The Indian Coffee Board chairman, S.K. Warrior, was quoted Thursday as saying at a meeting in Bangalore that India had exported "substantial quantities" of coffee to South Korea and China and 8,800 tons to Yugoslavia. He did not provide overall tonnage figures.

NYSE Highs-Lows

NEW HIGHS

NEW LOWS

AMEX Highs-Lows

NEW HIGHS

NEW LOWS

Paris Commodities

Aug. 14

	High	Low	Close Bid	Ask	Ch'ge
SUGAR					
French francs per metric ton					
Oct	1,120	1,107	1,107	1,110	+ 1
Dec	1,130	1,120	1,121	1,125	+ 2
Mar	1,150	1,169	1,165	1,174	+ 1
May	N.T.	N.T.	1,200	1,209	+ 2
Aug	N.T.	N.T.	1,228	1,235	— 20
Oct	N.T.	N.T.	1,260	1,268	— 20

Est. vol.: 1,900 lots of 50 tons. Prev. actual sales: 1,556 lots. Open interest: [illegible]

	High	Low	Close Bid	Ask	Ch'ge
COCOA					
French francs per 100 kg					
Sep	N.T.	N.T.	1,240	1,255	Unch.
Dec	N.T.	N.T.	1,265	1,280	Unch.
Mar	N.T.	N.T.	1,290	1,305	Unch.
May	N.T.	N.T.	1,305	—	Unch.
Jly	N.T.	N.T.	1,325	—	Unch.
Sep	N.T.	N.T.	1,340	—	Unch.
Dec	N.T.	N.T.	1,355	—	Unch.

Est. vol.: 0 lots of 10 tons. Prev. actual sales: 10 lots. Open interest: 330

	High	Low	Close Bid	Ask	Ch'ge
COFFEE					
French francs per 100 kg					
Sep	1,270	1,270	1,235	1,260	— 16
Nov	1,305	1,305	1,271	1,295	— 17
Jan	N.T.	N.T.	1,290	1,305	— 15
Mar	N.T.	N.T.	1,321	1,340	— 3
May	N.T.	N.T.	1,340	1,355	Unch.
Jly	N.T.	N.T.	1,360	1,380	— 7
Sep	N.T.	N.T.	1,370	1,390	Unch.

Est. vol.: 48 lots of 5 tons. Prev. actual sales: 21 lots. Open interest: 818

Source: Bourse du Commerce.

DM Futures Options

W. German Mark 125,000 marks, cents per mark

Aug. 14

Est. total vol. 21,918
Calls: thu. vol. 7,758 open int. 91,138
Puts: thu. vol. 3,231 open int. 93,4[illegible]

Source: CME.

Spot Commodities

Aug. 14

Commodity	Today	Prev.
Aluminum, lb	77.60	77.60
Coffee, lb	0.95	0.95
Copper electrolytic, lb	0.85-0.86	0.85-0.86
Iron FOB, ton	213.00	213.00
Lead, lb	0.42	0.42
Printcloth, yd	0.97	0.97
Silver, troy oz	7.305	7.78
Steel (billets), ton	473.00	473.00
Steel (scrap), ton	85-86	85-86
Tin, lb	4.0429	4.0304
Zinc, lb	0.47-0.48	0.47-0.48

Source: AP.

London Commodities

Aug. 14

GASOIL						
U.S. dollars per metric ton						
Sep	162.00	162.25	163.25	162.00	164.25	164.50
Oct	163.75	164.00	165.25	163.75	164.00	164.25
Nov	165.50	166.00	166.75	166.00	168.00	168.25
Dec	167.50	168.00	168.50	167.75	169.50	170.00
Jan	163.00	169.00	N.T.	N.T.	168.00	171.00
Feb	163.00	174.00	N.T.	N.T.	171.00	174.00
Mar	161.00	176.00	N.T.	N.T.	170.00	177.00
Apr	159.00	178.00	N.T.	N.T.	169.00	180.00
May	157.00	183.00	N.T.	N.T.	168.00	183.00

Volume: 3,030 lots of 100 tons.

Sources: Reuters and London Petroleum Exchange

To Our Readers

London sugar, cocoa and coffee futures prices were not available because of transmission problems between London and Paris. We regret any inconvenience to readers.

U.S. Treasuries

Aug. 14

	Discount Bid	Offer	Yield	Prev. Yield
3-month bill	5.97	5.95	6.14	6.13
6-month bill	6.06	6.02	6.32	6.29
1-year bill	6.45	6.43	6.87	6.83

	Bid	Offer	Yield	Prev. Yield
30-yr. bond	101 9/32	101 11/32	8.75	8.81

Source: Salomon Brothers.

London Metals

Aug. 14

	Close Bid	Ask	Previous Bid	Ask
ALUMINUM				
Sterling per metric ton				
Spot	1145.00	1147.00	1143.00	1145.00
Forward	1059.50	1060.00	1056.00	1057.00
COPPER CATHODES (High Grade)				
Sterling per metric ton				
Spot	1098.00	1099.00	1104.00	1105.00
Forward	1085.00	1087.00	1097.00	1098.00
COPPER CATHODES (Standard)				
Sterling per metric ton				
Spot	1097.00	1098.00	1103.00	1104.00
Forward	1083.00	1085.00	1093.00	1095.00
LEAD				
Sterling per metric ton				
Spot	421.00	424.00	419.00	420.00
Forward	396.00	396.50	390.00	391.00
NICKEL				
Sterling per metric ton				
Spot	3385.00	3395.00	3410.00	3420.00
Forward	3405.00	3415.00	3436.00	3440.00
SILVER				
Pence per troy ounce				
Spot	469.00	471.00	493.00	495.00
Forward	n.a.	n.a.	n.a.	n.a.
ZINC (High Grade)				
Sterling per metric ton				
Spot	506.00	508.00	507.00	508.00
Forward	506.50	507.00	506.00	506.50

Source: AP

Dividends

Aug. 14

Company	Per	Amt	Pay	Rec
INCREASED				
Bancorp Corp	Q	.26	9-30	9-14
First Fidelity Bncrp	Q	.46	10-1	9-2
Maytag Corp	Q	.45	9-15	9-1
Republic American	Q	.06	10-31	10-1
Samson Energy LP	Q	.40	9-30	8-31
Worthington Ind	Q	.10	9-28	8-31
INITIAL				
Allegheny Ludlum	-	.10	10-2	9-1
PROPOSED STOCK SPLIT				
Maytag Corp — 2-for-1				
REDUCED				
USLife Income Fund	Q	.24	9-4	8-24
STOCK SPLIT				
Amer Cellular Network — 3-for-2				
Carvtele Inc — 5-for-4				
USUAL				
American Biltrite	Q	.03 ¾	10-15	9-30
Arkla Inc	Q	.27	9-15	8-24
First Bancorp Ohio	Q	.30	9-7	8-24
ISS Intl Svc Sys	Q	.04	9-25	9-4
James River Co	Q	.10	10-30	10-15
Mercantile Bancorp	Q	.35	10-1	9-10
Watts Industries cl-A	Q	.02	9-15	9-1
California REIT	Q	.17	10-15	9-15
Elbit Computers Ltd	Q	.06	9-28	8-31
Guaranty National	Q	.05	10-15	9-29
Guardsman Prdts	Q	.105	9-22	9-8
Hannaford Bros Co	Q	.14	9-24	9-11
Lancaster Colony	Q	.17	9-30	9-10
Lincoln National	Q	.54	11-1	10-9
Natl Cmmrce Bncrp	Q	.13	10-1	9-4
Sabine Corp	Q	.01	9-22	9-1
Science Mgmt	Q	.02 ½	9-21	8-31
Singer Co	Q	.10	9-15	8-28
Southngtn Svngs Bk	Q	.10	9-22	8-31
Stanadyne Inc	Q	.30	10-1	9-10
USG Corp	Q	.28	9-15	8-25
Wal-Mart Stores Inc	Q	.03	10-2	9-2
Willamette Ind	-	.27	9-14	8-24

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

Thorn's Swedish Unit To Buy Fittings Maker

Reuters

LONDON — Thorn EMI PLC of Britain said Friday that its Swedish subsidiary, Thorn EMI AB, had agreed to buy a specialized fittings manufacturer, Jarnkonst AB, for a maximum price of £15.9 million ($25.1 million).

Completion of the sale is planned for the end of October, subject to Swedish government approval. Jarnkonst, based in Landskrona, Sweden, had 1986 sales of £39 million and has subsidiaries in Sweden, Norway and Finland.

Company Results

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Canada

Dome Petroleum

2nd Quar.	1987	1986
Revenue	349.0	339.0
Net Loss	77.00	110.0
1st Half	**1987**	**1986**
Revenue	716.00	809.00
Oper Net	—	(a)182.0

a: loss.

Netherlands

ABN Bank

1st Half	1987	1986
Profits	284.0	240.0
Per Share	25.49	23.19

United States

Fischbach

3rd Quar.	1987	1986
Revenue	249.4	370.5
Net Loss	8.14	7.84
9 Months	**1987**	**1986**
Revenue	840.6	928.9
Net Loss	17.0	16.5

1986 nets include losses of $7.9 million in quarter and of $9.3 million in 9 months.

Integrated Resources

2nd Quar.	1987	1986
Revenue	318.0	179.8
Net Income	12.7	6.29
Per Share	0.47	—
1st Half	**1987**	**1986**
Revenue	552.9	335.4
Net Income	21.5	(a)3.13
Per Share	0.87	—

a: loss.

Long Island Lighting

1st Half	1987	1986
Revenue	1,210.	1,020.
Net Income	106.4	204.7
Per Share	0.42	1.47
12 Months	**1987**	**1986**
Revenue	1,960.	2,030.
Net Income	221.4	467.8
Per Share	1.20	3.46

Reichhold Chemicals

2nd Quar.	1987	1986
Revenue	307.3	312.7

To Our Readers

S & P 100 index option prices were not available in this edition because of transmission delays.

Burlington to Sell Substantial Assets

Reuters

WASHINGTON — Burlington Holdings Inc., organized by Morgan Stanley Group Inc. to acquire control of Burlington Industries Inc., said Friday that it planned to generate about $900 million in after-tax profit in the next two years through sales of assets.

The planned asset sales were disclosed in a filing with the Securities and Exchange Commission, in which Burlington Holdings gave notice of its intention to offer up to $1.66 billion in debt securities.

Proceeds from the proposed offering will be used to repay bank debt and redeem debt securities sold by Burlington Holdings to help finance its successful $78-a-share tender offer, valued at more than $2 billion, for about 77 percent of Burlington Industries' common stock.

Burlington Holdings said proceeds from the asset sales would be used to help pay $900 million of bank loans scheduled to mature on June 24, 1988.

Burlington Holdings said it will not decide which assets will be sold until it completes a review of Burlington Industries' businesses.

Burlington Industries makes a variety of textiles, fabrics and related goods for the apparel and home-furnishing markets, and for industrial uses.

Burlington Industries, seeking to avoid a takeover by Asher B. Edelman and Dominion Textile Inc. of Canada, agreed in May to be acquired by the Morgan Stanley-led investor group in a leveraged buyout. In such arrangements, the acquiring group typically sells the company's assets or uses its earnings to finance the buyout.

Burlington Industries said the merger acquisition of Burlington Industries by Burlington Holdings is set for completion some time in September. In the merger, Burlington common stock will be converted into $78 a share in cash.

After the merger, Burlington Industries is to be liquidated into several subsidiaries.

Thorn to Sell Stake In Video Venture To JVC, Thomson

Agence France-Presse

TOKYO — Victor Co. of Japan, or JVC, and Thomson-CSF of France plan to buy the one-third interest they do not already own in J2T Holdings, Europe's biggest videocassette recorder maker, JVC said Friday.

JVC and Thomson-CSF, which each own 33.3 percent of J2T Holdings, will buy the holding of Britain's Thorn EMI, bringing their stakes to 50 percent each. J2T is a Netherlands-based company founded in 1982 with operations in West Germany, France and Britain. It currently produces 850,000 videocassette recorders a year.

The economic daily Nihon Keizai Shimbun said that terms of the agreement could be announced as early as this month.

Thorn's decision to pull out of the video sector follows the sale of its Ferguson television unit to Thomson in June.

Fleet Aerospace Builds 21.5% Stake in Langly

Reuters

WASHINGTON — Fleet Aerospace Corp. of Ontario said Friday it had accumulated 21.5 percent of Langly Corp.'s total stock outstanding for $2.66 million and that it might seek control of the San Diego-based aerospace company.

In a filing with the Securities and Exchange Commission, Fleet said it planned to influence Langly's policies. It said it was considering seeking representation on Langly's board, making a merger proposal to the company or acquiring additional shares of stock through a tender offer or other means. Langly makes aircraft and missile parts.

GM Expects $1 Billion Loss In Auto Parts, Memo Says

Reuters

DETROIT — General Motors Corp. is projecting losses from its auto parts manufacturing operations of more than $1 billion for the six-month period that began in April, a newspaper reported Friday.

The Detroit Free Press, quoting from an internal GM document, said that executives of the automaker's component units were told in April to start taking steps to limit the losses.

W. Blair Thompson, the GM group vice president, wrote that based on May financial projections and the company's accounting methods, "Those losses are currently projected to be in excess of $1 billion," the paper reported.

"From the public standpoint, we as a corporation continue to show weak performance in the marketplace, and, therefore, have been subjected to severe outside pressures to improve our earnings," Mr. Thompson was quoted as adding in the memorandum.

GM spokesmen denied comment on the memo. But the company has long said that many of its parts-making plants are not cost-competitive.

GM proposed this week to the United Auto Workers that employees in parts plants be paid under different rates than those for assembly plant workers, and that all future raises be based on whether plants meet productivity targets. The union opposed the proposal.

2 U.S. Electric Companies Plan $2.2 Billion Merger

New York Times Service

LOS ANGELES — In one of the largest combinations so far of U.S. electric utilities, Pacificorp and Utah Power & Light Co. have agreed to merge in a deal valued at up to $2.2 billion.

The merger, which amounts to the acquisition of Utah Power by Pacificorp, would create a utility serving almost 1.2 million customers in seven Western states.

The plan faces regulatory scrutiny from the Utah Public Service Commission and other groups. It is not expected to be completed until next year.

Under the agreement, each of Utah Power's 58.6 million common shares would be exchanged for newly issued Pacificorp stock worth $32.25 to $38 a share, depending on Pacificorp's share price in a 10-day period preceding the close of the deal. Utah Power's preferred shares would be exchanged on a one-for-one, tax-free basis for Pacificorp preferred shares.

The upper end of the price range was higher than most analysts had expected.

When Pacificorp disclosed last month that it was in merger talks with Utah Power, Utah Power's stock stood at $24.50 a share. It closed Friday at $30.75 on the New York Stock Exchange, up $4.25 since the announcement. Pacificorp, based in Portland, Oregon, closed at $35.50, up 50 cents.

Bank of Montreal to Buy 75% Stake in Brokerage

United Press International

TORONTO — Bank of Montreal has announced plans to acquire 75 percent of Nesbitt, Thomson Inc. for 290.9 million Canadian dollars ($218.1 million). The transaction would force the securities dealer to restructure or possibly sell part of its U.S. operation.

Canada's second-largest bank said Thursday that it would offer the equivalent of $16.50 a share for all 12.2 million Nesbitt class A shares.

COMPUTERS: U.S. Spy Agencies Building Their Own in Quest for Speed

(Continued from first finance page)

tor, Harlow Freitag, a former researcher at International Business Machines Corp.

"If we are going to be successful, we can't be a black hole in the world of computer research," Mr. Schneck said in a recent interview in the anterooms of the research group's facilities here. "We can't be perceived as wearing trench coats," he said.

Besides its classified work, he added, the center needs "a large unclassified agenda" of basic research to let the center's researchers interact openly with outside experts.

The National Security Agency's interest in supercomputing is not new. It bought the first machines to emerge from the computer industry that Eniac, an Army project, helped to spawn in the 1940s.

Today the NSA still typically takes delivery of the first production models of the latest, fastest machines produced by Cray Research Inc., Control Data Corp. and IBM.

No one expects that practice to stop. But the NSA's move to develop its own specialty machines is seen by many people as a public acknowledgement of a long-developing schism between the agency and the industry that supplies it.

The source of that schism is primarily the changing economics of the computer business. When the intelligence agencies and national laboratories were virtually the only customers for supercomputers, they enjoyed tremendous influence over the pace of innovation.

Now, however, the market has broadened to encompass oil companies and auto manufacturers, airplane builders and weather agencies. While they, too, are interested in greater speed, they also want to make sure that new machines are not so revolutionary that they require millions of dollars in new software.

"What we saw," Mr. Schneck said, "was that the industry's advances in computing speed were slowing."

The trend was discussed at length at a 1983 meeting at the Los Alamos National Laboratory in New Mexico. Intelligence officials say that was attended by K. Speierman, the NSA's chief scientist. Soon he began to push for an agency-run institute to perform basic research into parallel processing, the technology that NSA officials believe has the best chance of meeting their needs.

The New York Times

An installation of supercomputers, the fastest such devices now available.

Parallel processing, as a way to increase computing speed, constitutes a radical departure from traditional approaches. Most supercomputers, such as Cray's, perform calculations chiefly by brute force, grouping similar types of calculations and running them through a single, very fast processor. Parallel-processing machines divide a problem into hundreds or thousands of pieces and assign each piece to a single processor — usually a microprocessor similar to those used in personal computers. These hundreds or thousands of processors work on their pieces simultaneously; the results are then combined.

Such computers are still in their infancy because they pose many unsolved design and programming challenges. Some early models have proven enormously fast at solving problems in fluid dynamics (such as tracking the flow of air over a wing) and pattern recognition (such as picking out camouflaged tanks in a leafy forest).

At other tasks, however, parallel processors are far slower. Often a parallel machine must be specifically designed, or "hard wired," to perform a single task at optimal speeds.

For that reason, major computer makers have treated parallel machines coolly. "The fact is that there is a limited market for these machines," said a former executive of IBM's Federal Systems Division who asked not to be identified.

The National Security Agency is rumored to be pumping more than $20 million a year into its supercomputer research center — far more than the budgets of most of the 80 start-up companies working in the parallel-processing field. But on the surface, at least, the center resembles an entrepreneurial startup, with researchers wandering the halls in T-shirts and cut-off jeans.

There are differences, however. Every researcher has a top secret clearance, and the lengthy clearance process has delayed hiring and discouraged many from applying. Everyone also has access to remarkable resources. Downstairs, in a computer room sheathed in metal to frustrate eavesdroppers, researchers use a Cray II supercomputer and small parallel-processors made by Convex Computer, Intel and Multiflow.

So far the center has focused its efforts on four major projects.

One group is working on algorithms — descriptions of the theoretical framework that will be used to solve problems using parallel processors. Another is developing operating systems and languages for programming the machines. A third group is writing applications programs for NSA projects, such as software to sift huge data bases or separate intercepted radio signals from background noise.

A fourth group, whose efforts will take up 30 or 40 percent of the research center's efforts, will actually build prototype computers.

"We'll know we've succeeded if" computer users in the Defense Department and intelligence agencies "are clamoring to use our prototypes," Mr. Schneck said.

Still, there are some who question whether the whole project is the best way to get the job done.

But others say the potential of parallel processing is a good reason for the government to again undertake a grand project like the Eniac, a computer that sustained the government for half a decade.

"There's lots of interesting, worthwhile work going on, but it's not going to solve the NSA's problems," said Jack Dennis, a professor of computer science and engineering at Massachusetts Institute of Technology who is negotiating his own project with the agency. "Some things you just have to do yourself. This may be one of them."

Fujitsu Backing Said to End for Fairchild Buyout

Los Angeles Times Service

SAN FRANCISCO — Fujitsu Ltd. has withdrawn its financial support for a management-led buyout of Fairchild Semiconductor, according to industry sources, increasing the likelihood that Fairchild will be sold to another buyer.

Fujitsu agreed to support a buyout after U.S. government opposition led it to withdraw in March a plan to purchase an 80 percent stake in Fairchild.

Analysts said Thursday that companies interested in Fairchild include Intergraph, of Huntsville, Alabama, a maker of computer workstations; Motorola Inc. and National Semiconductor Corp.

A spokeswoman for Fairchild said Fairchild's parent, Schlumberger Ltd., expected a decision soon on the buyout plan and a number of proposals from outside parties.

Allegis Repeats Objections to Pilots' Bid

Reuters

CHICAGO — Allegis Corp., after a new approach by pilots of its United Airlines unit, repeated Friday its objections to the pilots' proposal to buy the carrier.

Allegis said it had told the pilots that it would consider any proposal to buy the airline if it was an all-cash offer. But it said it would sell the carrier only if all unions representing airline employees agreed to the sale.

The company also said that any bid must leave the carrier adequately financed, provide for fair participation by nonunion employees and contain a satisfactory plan for the management of the company after the change in ownership.

The company said that the pilots' proposal, which involves an employee buyout, did not satisfy these objectives.

Allegis's stock was up $1.50 to $97 at the close of trading Friday on the New York Stock Exchange. On Thursday, the stock had advanced $1.25.

Analysts said that support by other unions would be a major factor in the outcome of the bid.

It is unclear whether other unions will back the proposal or will be able to work harmoniously with the pilots if they succeed. The pilots have proposed wage concessions as part of their financing plan.

In a letter Thursday to Allegis' new chairman and chief executive, Frank A. Olson, the head of the pilots union, Rick Dubinsky, made a bid for cooperation with the parent company.

Analysts said the pilots had increased their chances of wresting control of the carrier from Allegis on Thursday by recruiting the respected former head of Piedmont Aviation Inc. to lead their offer.

William Howard, 65, retired Friday as Piedmont's president. He is widely credited with turning the once small regional carrier into a major airline.

"He lends credibility to the pilots," said Edward Starkman, an analyst with Paine Webber. "There's some believable airline management experience there."

Mr. Howard was named chairman and chief executive of Airline Acquisition Corp., the group formed by the pilots to pursue their bid for United. The pilots said he would hold those positions at the airline if the bid succeeds.

The pilots' five-month-old plan to buy United through an employee stock ownership plan received further credibility when they detailed plans for more financing, the analysts said.

The pilots said that Chemical Bank of New York was confident it could raise funds through a bank syndicate, adding to the $1.5 billion previously promised by Salomon Brothers.

The pilots have made two proposals to take over the airline. Their first offer of $4.5 billion was rejected by Allegis. The second proposal, which included the sale of all nonairline assets, has not received a response but helped trigger a massive restructuring by Allegis in early June.

The restructuring included the removal of senior management and a halt to the controversial strategy of developing Allegis into a travel services company. The company is now preparing to sell its Hertz rental car business and its Westin and Hilton International hotels.

Wolters, Rebutting Doubts, Says It Holds 50.9% of Kluwer

By Ronald van de Krol

Special to the Herald Tribune

AMSTERDAM — Wolters Samsom Groep NV, ending speculation about whether its approved offer for the Dutch publisher Kluwer NV had triumphed over a hostile bid by Elsevier NV, reaffirmed Friday that it had won a slim majority of Kluwer's ordinary shares.

After a careful tally of the shares delivered to its bankers by a Thursday deadline, Wolters confirmed that it controlled 50.9 percent of Kluwer's issued ordinary share capital.

Wolters said it would merge with Kluwer as planned, creating the country's second-largest publishing group and pushing Elsevier into third place. Kluwer currently is the third-biggest Dutch publisher.

"It's a great relief that the doubts have been laid to rest," a Wolters spokesman said. "The 10 days of doubt in the public mind did make it difficult for us as a company to operate."

Elsevier, which originally said it had commitments for 48.25 percent of Kluwer, now owns 48.7 percent of Kluwer's ordinary shares, the Amsterdam Stock Exchange said.

Both bids had valued Kluwer at just over 1 billion guilders (about $470 million). Wolters had claimed victory over Elsevier on July 31 on the basis of commitments each sides secured through their tender offers and through open-market purchases.

But stock traders later began to doubt whether all the shares that had been promised to both sides could in fact be delivered.

The speculation was fueled by a wild scramble on the floor of the Amsterdam Stock Exchange for the few remaining Kluwer shares. The activity raised the possibility that some investors had gone "short," and promised to tender shares that they did not yet own.

Dealers, explaining why Elsevier's stake in Kluwer is now slightly larger than announced two weeks ago, said that Elsevier had been buying Kluwer shares in the hope of wresting victory from Wolters.

At one point, Kluwer's shares were quoted at 3,100 guilders ($1,455), more than six times their price at the expiration of the rival tender offers on July 31.

The confirmation of Wolters's slim majority appears to end an important chapter in the most bitter takeover struggle ever seen in the Netherlands.

SCENE: U.S. Firms Win by Quitting

(Continued from first finance page)

the demolition industry pay more than the construction industry?

The system works beautifully. When the dollar went up from 1981-85, American companies quickly and easily withdrew from foreign markets and quickly ceded market share to their foreign competitors at home. Small changes in the value of the dollar had a big impact on the balance of exports and imports. Imports soared and exports fell.

In contrast, now that the Japanese yen and the Deutsche mark are rising, the system of flexible exchange rates is not working at all. Foreign companies are refusing to raise prices and cede market share to American firms. Leaving oil aside, import prices have risen very little relative to domestic American prices despite a 35 percent fall in the real value of the dollar.

To stay in business, foreign companies are reducing profits (Americans never do that), cutting wages and bonuses and investing to improve productivity and reduce costs (Only madmen invest in industries with excess capacity — a basic principle taught in every business school).

But this means it takes a very big rise in the value of the yen or mark to eliminate trade imbalances. This reduces the effectiveness of the current system of flexible exchange rates. Rates have to change by such large amounts that they threaten to disrupt the world's trading system.

If foreign companies were as good at going out of business as American companies, none of these difficulties would exist. Foreigners would have long since eliminated their trade surpluses, and with them, the U.S. trade deficit.

With the invasion of superior foreign products, Americans are starting to have an inferiority complex. They shouldn't. When it comes to going out of business, Americans are the very best.

Lester C. Thurow is the dean of the Sloan School of Management at Massachusetts Institute of Technology in Cambridge.

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OUR 41st YEAR

Directional traders who started accumulating depressed dollars early in the latest sequence of precious-metals emptions were in a position by early August to begin pyramiding at no extra cost. In today's post-deregulation markets a few pennies or pfennings of upside dollar movement allow private operators to double their holdings and overcome intervention by such forces as the Bundesbank, Bank of England and Fed. The fact that South African gold miners have struck may have convinced precious-metals bulls that this process will be reversed — with gold recovering and the dollar dropping. But leveraged activity in post-Big Bang markets frequently is in opposition to conventional attitudes. During four months of gold-market bulges the investing public has bought enough of the metal to feed basic commercial demand for the next few years. Indigo researchers and technicians have been concentrating upon media abandoned by mugged precious-metals buyers. This includes dollars, U.S. financial instruments such as T-bond future and high-tech stocks ranging from Amdahl and Cray to digital and IBM. If you would like complimentary copies of weekly reports explaining current strategies, please complete and return the coupon.

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INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 14th Aug. 1987

Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.
The marginal symbols indicate frequency of quotations supplied: (d) – daily; (w) – weekly; (b) – bi-monthly; (r) – regularly; (i) – irregularly.

AL-MAL GROUP	
-(w) Al-Mal Trust, S.A.	$ 288.04
-(r) Managed Currency	$ 192.73
APAX FINANCIAL CORP.	
Maritime house ,POB N-45,Nassau.	
-(b) Americosing NV	$ 113.39
BANK JULIUS BAER & CO. LTD.	
-(d) Baerbond	SF 885.00
-(d) Conbor	SF 1647.00
-(d) Equibaer America	$ 1738.90
-(d) Equibaer Europe	SF 1481.00
-(d) Equibaer Pacific	SF 1800.00
-(d) Grobar	SF 1775.00
-(d) Global A	SF 2143.00
-(d) SFR-BAER	SF 1807.00
-(d) Swissbar	SF 2794.00
BAIL MULTICURRENCY	
-(r) Multicurrency US$	$ 1,145.57
-(r) Multicurrency Ecu	ECU 1,095.81
-(r) Multicurrency Yen	Y 315,243.00
-(r) Multicurrency PFR	FF 10,807.17
BNP INTERFUNDS	
-(w) Interbond Fund	$ 176.53*
-(w) Intercurrency US$	$ 10.47*
-(w) Intercurrency DM	DM 30.69*
-(w) Intercurrency Sterling	£ 10.15*
-(w) Interequity French Offer	$ 11.70
-(w) Interequity Pacific Offer	$ 25.83
-(w) Interequity N. Amer. Offer	$ 14.10
-(w) Interequity European Class	$ 10.00
-(w) Interequity Australia Cls.	$ 10.52
BANQUE INDOSUEZ	
-(w) Asian Growth Fund	$ 30.70
-(w) Asian Income Fund	$ 10.34
-(w) Diversbond	SF 87.40
-(w) FIF-America	$ 26.41
-(w) FIF-Europe	$ 26.41
-(w) FIF-International	$ 16.41
-(w) FIF-Pacific	$ 26.22
-(w) France Blue chips No 1	FF 103,626.55
-(w) France Blue chips No 2	FF 107,396.71
-(w) Indosuez Multibonds A	$ 120.92
-(w) Indosuez Multibonds B	$ 224.99
-(d) Indosuez USD (MALF)	$ 1149.48
-(w) IPNA	$ 1080.00
-(w) Pacific Gold Fund	$ 18.70
BANQUE PRIVEE E. DE ROTHSCHILD	
(b) Cursitor BP Fixed Inc. Fund	DM 98.95
(b) Cursitor BP General Fund	DM 126.80
(w) Daiwa Lcl Int. Bond	$ 1025.44
(b) Eagle Fund	LF 11,255.00
(b) Governm. Sec. Funds	$ 76.87
(w) Isis Sicav	FL 10,350
(w) Lelcom	$ 2585.64
(b) Opportunities Fund	$ 1079.02*
(b) Prinop fund	DM 54.41
(b) Pri-Tech	$ 1345.88
(w) Rente Plus	BF 50,834.00
(b) Source Sicav	$ 11.40
B.F.A.C.M.	
(w) Ecu Multiplacement	ECU 1043.63
MIM BRITANNIA,POB 271, St. Helier, Jersey	
-(w) Int.High Income	$ 2.4850*
-(w) Dollar Man.Curr	$ 13.29*
-(d) Dollar Man. Port	$ 2.097
-(d) Sterling Man.Port	£ 1.89.0
-(w) Amer. Inc. & Growth	$ 1.449*
-(w) Gold & Prec. Metals	$ 1.415
-(w) Sterling Man. Curr	£ 17.26
-(d) Japan Dollar Port. Fd	$ 20.24
-(w) Jersey Gilt	£ 20.4
-(d) Okasan Global Strat	$16.294
-(d) World of Leisure	$ 1.484
-(d) World of Technology	$ 1.177
BROADGATE INTERNATIONAL FUND	
-(d) $ Money Market	$ 10.77
-(d) Non-$ Money Market	DM 27.30
-(w) $ Bond	$ 11.24
-(w) Non-$ Bond	DM 27.79
-(w) Global Equity	$ 16.53
-(w) Global Bond	$ 11.46
-(w) Global Bond & Equity	$ 13.33
CAPITAL INTERNATIONAL	
-(w) Capital Int'l Fund	$ 86.21
-(w) Capital Italia SA	$ 35.04
CITICORP INVESTMENT BANK (Lux.)	
POB 1373 Luxembourg Tel. 477-95,71	
(d) Citinvest Ecu	ECU 1156.31
(d) Citinvest Liquidity	$ 1121.91
(d) Citinvest Manag. Growth	$ 1267.26
(d) Cit.Manag. Growth Eurn.	ECU1064.90
(d) Citinvest Profit Sharing	$ 1833.10
CITITRUST	
(w) Global Equities	$ 10.36
(w) Global Bonds	$ 9.97
(w) Global Money Market	$ 10.01
(w) U.S. $ Bonds	$ 201.30
(w) U.S. $ Money Market	$ 10.63
-(w) US $ Equities	$ 216.19
CCF - GAMMA	
(w) Actibonds Investments Fund	$ 34.25
-(w) CM Gold Prec Mal	$ 10.87
-(w) CM Global Growth	$ 10.00
-(w) CM North Amer Grth	$ 10.10
-(w) Elysees Court Terme	FF 98,435.09
-(w) Elysees Long Terme	FF 47,596.94
-(w) Elysees Monetaire	FF 89,704.44
-(d) Europe Prestige Fund	ECU 11.38
-(d) U.S. European Fund	$ 11.34
-(w) Strategy Investment Fund	$ 29.20
CREDIT SUISSE (ISSUE PRICES)	
-(d) CSF Bonds	SF 79.00
-(d) Bond Valor Swf	SF 108.45
-(d) Bond Valor US-DOLLAR	$ 123.18
-(d) Bond Valor D-mark	DM 118.81
-(d) Bond Valor Yen	Y 11,084.00
-(d) Bond Valor £ Sterling	£ 111.33
-(d) Convert Valor Swf	SF 154.00
-(d) Convert Valor US-DOLLR	$ 183.75
-(d) CSF International	SF 137.25
-(d) Actions Suisses	SF 860.00
-(d) Europa-Valor	SF 390.75
-(d) Energie-Valor	SF 144.50
-(d) Concasé	SF 733.00
-(d) Usavalor	SF 965.00
-(d) Pacific -Valor	SF 249.25
-(d) CS Gold Valor	$ 333.81
-(d) CS Ecu Bond A	ECU 103.75
-(d) CS Ecu Bond B	ECU 103.86
-(d) CS Golden Bond A	FL 102.62
-(d) CS Golden Bond B	FL 102.62
-(d) CS Short-T. Bd DM A	DM 102.45
-(d) CS Short-T. Bd DM B	DM 102.45
-(d) CS Short-T. Bd $ A	$ 101.47
-(d) CS Short-T. Bd $ B	$ 101.47
-(d) CS Money Market Fund	$ 1220.36
-(d) CS Money Market Fund	DM 1124.26
-(d) CS Money Market Fund	£ 1233.69
-(d) CS Money Market Fd Yen	Y107,528.00
DIT INVESTMENT FRM	
-+(d) Concentra	DM 39.76
-+(d) Int'l Rentenfond	DM 77.51
DREXEL BURNHAM LAMBERT INC	
Winchester House, 77 London Wall	
LONDON EC1 (01 9207777)	
-(w) Winchester Capital	$ 100.36
-(w) Finsbury Group Ltd	$ 157.97
-(m) Winchester Diversified	$ 16.51
-(m) Winchester Financial Ltd	$ 17.18
-(m) Winchester Frontier	$ 163.16
-(w) Winchester Holdings	FF 123.60
	$ 13.45
-(w) Winc.Holdings Ltd.B.B.S	ECU 1017.42
-(m) Winchester Recovery Ltd	$ 99.69
-(w) Worldwide Securities	$ 90.36
-(w) Worldwide Special	$ 797,035/5
EBC TRUST CO.(JERSEY) LTD.	
1-3 Seie St.,St. Helier,0534-36331	
TRADED CURRENCY FUND.	
@(d)Inc.: Bid $ 13.87 Offer	$14.296
@(d)Cs.: Bid $ 17.44 Offer	$ 17.962
INTERNATIONAL INCOME FUND	
-(d) Short Term 'A' (Accum.)	$ 1.4521
-(d) Short Term 'A' (Distr)	$ 0.9434*
-(d) Short Term 'B' (Accum)	$ 1.5556*
-(d) Short Term 'B' (Distr)	$ 1.1087
-(w) Long Term	$ 39.88
ELDERS (212) 573-8440	
-(w) Elders Futures Fund	$ 268.98
ELDERS SWITZ.(038) 24 79 79	
-(w) Eldern Int Bd	SF100.09 Offer
-(w) Eld. Aus Bd	A$130.59 Offer. A$138.75
EQUIFLEX LIMITED	
-(w) Europe A	FL 10.92
-(w) Global A	FL 12.59
-(w) North America A	FL 11.25
ERMITAGE MANAGEMENT	
19 Royal Square, St. Helier, Jersey, C.I.	
-(w) Extend Fund	$ 31.85
-(w) Cash Fund	£ 27.15
-(w) F.S. Perseus	$ 11.19
ERMITAGE MAY, CAYMAN LTD.	
P.O. BOX 2192, Grand Cayman, BWI	
-(w) GAM Ermitage Intl	$ 19.16
-(w) GAM Ermitage Inv. Inc	$ 17.06
-(w) GAM Ermitage L.Ter	$ 23.86
EUROPEAN LIFE (C.I.) Ltd.	
Bordage H.St. Peter Pt.Guernsey,0481710911	
-(w) Equity bid £ 133.04 Offer	£131.53
-(w) Fixed Int.bid £ 102.52 Offer	£103.56
-(w) Mining bid £ 149.97 Offer	£151.46
-(w) Man. Curr.bid £ 104.07 Offer	£105.73
-(w) Property bid £ 101.75 Offer	£103.70
-(w) Prec.Mets/Gen £ 108.46 Offer	£109.47
Euro Pacific Advisers Ltd.	
(w) Cometa	$ 956.86
(w) Delta	Y 724,034.05
(w) Pacific Horizon Invt. Fd	$ 2974.85
(w) Pleiades	$ 2367.80
F&C MGMT. LTD. INV. ADVISERS	
3, Lombard Street, Lond. EC3. 01-623-4680	
-(w) F&C Atlantic	$ 28.38
-(w) F&C European	$ 34.45
-(w) F&C Oriental	$ 75.77
FIDELITY POB 670, Hamilton Bermuda	
-(m) Fid. Amer. Val.II Com.	$ 77.77
-(m) Fid. Amer. Val.II Cum.Pref	$ 102.26
-(m) Fid. Amer. Val.II Cam.	$ 43.50
-(m) Fid. Amer. Val.II Cum Pref.	$23.40
-(d) Fidelity Amer. Assets	$ 123.10
-(d) Fidelity Australia Fund	$ 34.13
-(d) Fidelity Discovery Fund	$ 16.10
-(d) Fidelity Dir. Svss.Tr	$ 140.03
-(d) Fidelity For East Fund	$ 38.88
-(d) Fidelity Frontier Fund	$ 23.04
-(d) Fidelity Global Ind. Fd	$ 14.68
-(d) Fidelity Int'l. Fund	$ 12.34
-(d) Fidelity Orient Fund	$ 83.93
-(d) Fidelity Pacific Fund	$ 283.44
-(d) Fidelity Spcl. Growth Fd	$ 30.70
-(d) Fidelity World Fund	$ 69.10
FIDELITY PERSONAL PORTFOLIOS LTD.	
-(d) American Portfolio	$ 01.02
-(d) European Portfolio	$ 1.06
-(d) Japan Portfolio	$ 1.06
-(d) Pacific Basin Portfolio	$ 01.08
-(d) U.K. Portfolio	$ 00.96
FORBES PO 887 GRAND CAYMAN	
London Agent 01-839-3013	
-(w) Forbes High Inc. Gilt Fd	£ 63.0*
-(w) Gold Income	$ 8.91
-(w) Dollar Income	$ 8.49*
-(w) Gold Appreciation	$ 7.17
-(m) Strategic Trading	$ 1.35
FORSTMANN&BANKIEN, 472 428 535	
-(w) Scanfonds Int'l growth fd	$ 12.91
GARTMORE FUND MANAGERS INT.	
& CALEDONIA PLACE, JERSEY 0534 27301	
CAPITAL STRATEGY FD. LTD.	
-(d) Sterling Deposit	£ 1.007
-(d) US$ Deposit	$ 1.024
-(d) DM Deposit	DM 5.074
-(d) Yen Deposit	Y 506.40
-(d) Sw. Fr. Deposit	SF 5.063
-(d) Austr.Dollar Dep. fd	Aust$1.025
-(d) French Franc Deposit fd	FF10.05
-(d) N. American	$ 1.85
-(d) Japan	$ 3.97
-(d) Pacific Basin	$ 2.87
-(d) International growth	$ 2.91
-(d) British	£ 2.19
-(d) Sterling Gilt	£ 1.08
-(d) Internatl. High Income	$ 1.27
-(d) Yen Convertible bond	Y9 386
-(d) European Fund	£ 1.76
-(d) E.C.U. Fund	ECU 1.07
-(d) Australasian fund	£ 1.00
-(d) Canadian fund	Can $ 1.06
-(d) Global Resources Fund	$ 1.07
CAPITAL STRATEGY PORTFOLIO LTD.	
-(d) Growth Portfolio	$ 1.21
-(d) Income Portfolio	£ 1.02
-(d) Balance Portfolio	£ 1.13
GEFINOR FUNDS.	
-(w) East Investment Fund	$ 122.41
-(w) Scottish World Fund	£ 113.43
-(w) Euro Bond Fund	$ 264.17
London: 01-491-4230. Geneva: 41-22/35.63.30	
GLOBAL ALPHA STRATEGY FUND SICAV	
-(d) Nikko Growth Package Fd	$ 11,138.84
GLOBAL ASSET MANAGEMENT CORP.	
PB 119, St Peter Port, Guernsey. 0481-28715	
-(w) FutureGAM S.A.	$ 145.36
-(w) GAM Arbitrage Inc	$ 227.78
-(w) GAM Asia Inc	$ 224.54
-(w) GAM Australia Inc	$ 281.20
-(w) GAM ASEAN Inc	$ 120.42
-(w) GAM Beacon Hill Inv.	$ 168.94
-(w) GAM Boston Inc	$ 229.41
-(w) GAM Ermitage	$ 23.36
-(w) GAM Ermitage Int. Inc	$ 11.84
-(w) GAM Europe Inc	DM 104.44
-(w) GAM Far East	£ 147.75
-(w) GAM Franc-val Inc	SF 191.04
-(w) GAM France Inc	FF 1266.47
-(w) GAM Global Fund	$ 116.56
-(w) GAM Growth Inc	$ 101.49
-(w) GAM High Yield Inc	$ 100.00
-(w) GAM Hong Kong Inc	$ 219.50
-(w) GAM International Inc	$ 297.06
-(w) GAM Japan Inc	$ 319.50
-(w) GAM Money Mkts. Fund	$ 100.55*
-(w) GAM Money Mkts. Fund	£ 101.25*
-(w) GAM Money Mkts. Fund	SF 100.31*
-(w) GAM Money Mkts. Fund	DM 100.33
-(w) GAM Money Mkts. Fund	Y 10000*
-(w) GAM North America Inc	$ 149.08
-(w) GAM N.Am. Unit Trust Inc	144.30* p
-(w) GAM N.Am. Unit Trust Accum.	152.85 p
-(w) GAM Pacific Basin Fund	$ 109.31
-(w) GAM Pacific Inc	$ 402.21
-(w) GAM Pens. & Char. Worldwi	206.00 p
-(w) GAM Pens. & Char. U.K. Fd	240.10 p
-(w) GAM Singapore/Malay Inc	$ 164.69
-(w) GAM Tokyo Fund Inc	$ 114.74
-(w) GAM U.K.Spec Unit Trust Inc.	£145.75
-(w) GAM U.K.Spec Unit Tr. Accum.	£145.75
-(w) GAM £ & Intl Unit Trust Inc	£326.00
-(w) GAM £ & Intl Unit Trust Accum	£326.20
-(w) GAM Whitehorn Fund Inc	$ 105.44
-(w) GAM Worldwide Inc	$ 266.58
-(w) GAM Tyche S.A. Class A	$ 163.70
-(w) GAM U.S. Inc	$ 127.27
-(w) GAMut Inc	$ 139.68
-(w) GSAM Composite Inc	$ 180.95
-(w) GSAM Int. Inc. U.S Ord	$ 114.67
-(w) GSAM Interest Inc. U.S Spe	$ 137.52
-(w) GSAM Interest Inc	SF 182.70
-(w) GSAM Interest Inc	£ 108.71
-(w) GSAM Interest Inc	DM 98.01
-(w)GSAM Interest Inc	Y 11,781
-(w) GSAM Interest Inc	FF 965.42
G.T. MANAGEMENT (UK) Ltd.	
-(d) G.T. Applied Science	$ 17.21
-(d) G.T. Asian H.K. Gwth.Fd	$ 25.89
-(d) G.T. Asia Fund	$ 12.45
-(d) G.T. Australia Fund	$ 43.95
-(d) G.T. Berry Japan Fund	$ 25.02
-(w) G.T. Biotechn./Health Fund	$ 12.75
-(d) G.T. Bond Fund	$ 15.30
-(w) G.T. Britain Fund	$ 9.85
-(d) G.T. Deutschland Fund	$ 10.46
-(d) G.T. Dollar Fund	$ 24.01
-(d) G.T. Europe Fund	$ 27.79
-(w) G.T. Euro. Small Cos. Fund	$ 43.11
-(d) G.T. Global Technology Fd	$ 19.80
-(d) G.T. Hongkong Pathfinder	$ 75.61
-(d) G.T. Investment Fund	$ 41.85

Friday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

A

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
12	3⅝	ABI n			16	31	11	10⅞	11	+ ⅛
10⅞	6½	ABM G n				430	8¼	7⅞	7⅞	— ⅛
17¼	8⅛	AL Lab s	.12	1.1	18	30	11	10¾	11	+ ⅜
14⅝	7⅝	AMC s	.10	1.1		19	8⅞	8⅞	8⅞	— ⅛
4¼	2¾	AOI	.05e	1.2	32	290	4¼	4	4⅛	+ ⅛
5½	3	ARC g				43	4	3⅞	4	— ⅛
31⅞	8	AT&E				41	18	17¾	17¾	— ¼
3½	2½	ATTCr wt				7	2¾	2¾	2¾	+ ⅛
43⅝	33¼	ATT Fd	s1.70t	4.0		160	43¼	42½	43	+ ⅛
12⅞	10⅞	Abimd n				102	12⅛	12⅛	12⅛	+ ⅛
9¾	6⅛	AcmeU	.06t			45	8⅛	8⅛	8⅛	
11⅛	5⅞	Action	.24e	3.9	123	137	6⅛	6	6⅛	+ ⅛
21¼	7½	Acton s				111	18	17⅞	18	— ⅛
2⅝	⅜	Actn wt				30	⅞	⅞	⅞	— ⅛
4⅛	1¼	AdmRs			54	42	3¼	3	3¼	+ ⅛
19¾	14	AdRslEl			58	22	16⅝	16⅜	16⅝	— ⅛
41½	18⅝	AdRusll			290	86	40¾	40⅝	40⅝	+ ⅛
¾		AdRus rt				120	½	⅜	½	+ ⅛
19⅝	9⅛	AirExp			18	130	19	18¾	19	+ ⅜
18⅞	18¼	Aircoa n				114	18⅜	18¼	18¼	— ⅛
⅞	¼	Alamco				60	⅜	⅜	⅜	
9⅞	6½	AlbaW			13	55	9½	9⅜	9⅜	+ ⅛
24¼	3¼	Alfin s				204	4	3⅞	4	+ ⅛
12⅝	9⅞	Allstr n	1.38	14.0		107	10	9⅞	9⅞	+ ⅛
11⅛	6⅝	Alphal n				72	8⅝	8⅝	8⅝	
21⅛	7⅝	AlpinGr				187	17⅞	17¾	17¾	— ⅛
⅞	⅛	Altex n				120	⅞	⅞	⅞	
51¼	40	Alcoa pf	3.75	8.5		400z	44¼	44¼	44¼	
40⅝	15⅝	Alza			165	640	38⅞	38	38	— ⅞
6¼	4⅛	AmBrit	.08	1.7	20	265	4⅞	4½	4⅞	+ ¼
43¾	17¼	Amdahl	.20	.5	34	2642	44	42⅞	43¾	— ½
27⅝	12½	AmCabl				42	26⅞	26¾	26⅞	
6⅝	3⅛	AmCap			9	60	5¼	5⅛	5⅛	
5⅜	2½	AExFF wt				4315	3⅝	3⅜	3⅜	— ¼
17	9½	AFruc A			11	552	13	12½	12⅝	
[illegible]	9½	AFruc B			10	72	12⅝	12	12⅝	+ ⅛
5⅜	1⅛	AHlthM				30	1⅛	1	1⅛	— ⅛
32	12¼	Alsrael	.31e	1.2	9	49	25	24¼	24⅞	+ ⅝
13¼	6¼	AmLnd			37	8	11⅛	11⅛	11⅛	— ⅛
15⅝	9⅛	AmList			17	8	10	9⅞	9⅞	— ⅛
23⅝	16⅝	AMzeA	.52	2.3	10	41	23⅛	23	23	— ¼
21⅞	16	AMzeB	.52	2.6	9	21	20½	20⅛	20⅛	— ⅛
5¼	2	AMBld				181	4	3⅞	3⅞	— ⅛
10½	3¼	AmOil				42	9⅛	9¼	9⅜	— ⅛
16⅛	10	AProc	.20	1.4	61	1	14⅛	14⅛	14⅛	
9⅝	4⅞	AmRlty	2.50e	46.5	11	422	5⅜	5¼	5⅜	+ ⅛
18½	4⅞	AmRoyl	1.13e	11.4	8	237	10	9⅞	9⅞	— ⅛
7⅝	4	AScIE			263	78	5¼	4⅞	5⅛	+ ⅛
2	⅞	AScI wt				79	1⅛	⅞	1⅛	+ ⅛
7⅝	[illegible]	ATechC			17	52	4	4	4	
27⅝	25⅝	A-axp pr				65	26⅞	26⅝	26½	— ⅜
14	7½	A-axp sc				271	13⅝	13⅜	13½	— ⅛
70	63⅝	A-aho pr	3.29	4.7		33	70	69½	69⅞	— ½
25¾	18½	A-ahp sc				117	24½	24¼	24⅜	+ ⅜
23⅝	18¾	A-atf2 pr	1.15	4.9		136	23⅝	23	23⅝	+ ⅜
16⅝	4	A-atf2 sc				282	14½	14⅛	14⅛	— ⅛
68½	55	A-an pr	3.25	5.1		13	64¼	64	64¼	
30¼	17	A-an sc				35	17⅜	16¾	16¾	— ⅜
78½	75	A-arc pr	3.95	5.2		11	76	75½	75½	— ½
23¾	18½	A-arc sc				29	21	20½	20⅝	
110	94	A-bmy un	2.75	2.6		6	107	106	107	+3½
75½	66	A-bmy pr	2.75	3.7		17	74	73½	74	+1
36⅝	25¼	A-bmy sc				40	33⅛	32¾	32⅞	— ⅛
52	45	A-chv pr	2.35	5.0		1	47⅛	47⅛	47⅛	
14¾	11½	A-chv sc				152	12½	12	12½	+ ⅜
90½	47⅞	A-ko un	1.07	2.0		15	53½	53	53½	+3
34	31	A-ko pr	1.07	3.2		21	33½	33½	33½	+ ⅛
20½	11½	A-ko sc				129	20½	19¾	19⅞	— ⅛
28	19¼	A-dow sc				117	27½	26¾	27¼	
129⅝	100½	A-dd un	3.35	2.6		6	127⅞	127⅞	127⅞	—1
48½	21⅛	A-dd sc				25	48½	48¼	48⅛	
97¾	63¼	A-xon un	3.95	4.1		2	96½	96½	96½	+4⅝
60½	52⅝	A-xon pr	3.95	6.7		10	59⅝	59⅝	59⅝	
40½	18	A-xon sc				62	38½	37½	37½	— ½
38½	38¼	A-gte un	2.47	5.4		250	45⅝	45⅝	45⅝	+7⅝
34	31⅛	A-gte pr	2.47	7.4		684	33⅝	33	33⅝	+ ⅛
13	4¾	A-gte sc				427	12⅝	12⅛	12⅝	+ ⅛
89	72½	A-ge pr	2.59	2.9		16	88½	88	88	— ½
40½	24	A-ge sc				63	40⅝	39	40	
77¾	69	A-gm pr	4.95	7.1		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

CURRENCY MARKETS

DOLLAR: *Currency Lower on U.S. Trade Data*

(Continued from first finance page)

prices in July help market sentiment much, they said.

The dollar eventually met support around the 1.8680-mark level, prompting traders to buy what were seen as "cheap dollars," dealers said.

The trade figures left dealers unsure about the dollar's trend, after its recent jump that came on technical factors and Mideast worries.

Some saw a relatively steady dollar if tensions continued in the Gulf.

Others said they expected tests of dollar support as the market refocused on U.S. economic fundamentals.

"I hesitate to say whether we've seen the peak," said Leslie Puth, a corporate trader at Credit Suisse.

Earlier in Europe, the dollar plunged as much as three pfennigs and two yen minutes after the trade news.

"The trade figures were outside all expectations," one currency dealer said. "Everyone was caught out by these numbers."

In London, the dollar, which had scaled a seven-month trading high of 1.9025 DM on Tuesday, had fallen to 1.8640 DM at one point Friday. But it recovered somewhat to close at 1.8765, still a pfennig down from 1.8865 on Thursday.

London Dollar Rates

Closing	Fri.	Thu.
Deutsche mark	1.8765	1.8865
Pound sterling	1.5895	1.5800
Japanese yen	150.00	151.50
Swiss franc	1.5576	1.5670
French franc	6.2590	6.3000

Source: Reuters

The dollar reached a low of 149.40 yen, but closed at 150.00, down 1.50 yen from 151.50 on Thursday.

The dollar also closed in London at 1.5576 Swiss francs, down from 1.5670, and at 6.2589 Swiss francs, down from 6.3000.

The dollar was also lower against the British pound, which closed at $1.5895, against $1.5800 Thursday.

The sharp decline in the dollar was all the more unexpected after the currency opened firmer, buoyed by reports of strong demand on the final day of the U.S. Treasury quarterly refunding Thursday and on the strong U.S. retail sales figures released Thursday.

Sterling was largely sidelined Friday as attention focused on the dollar. It ended unchanged on its trade-weighted index at 72.5 percent of its 1975 value.

Gold dealers used higher bullion prices resulting from the worse-than-expected U.S. trade figures to liquidate long positions, or agreements to buy dollars, dealers said.

After opening at around $457.50 an ounce in Europe, gold climbed to a high of about $461.00 on the trade deficit news.

But dealers sold into the rally to liquidate their long positions, pushing the metal down, dealers said.

Gold bullion fell to a bid of $452 an ounce in London, down from $457.40 at the morning fixing and down from $460.50 late Thursday.

Earlier in Europe, the dollar was fixed in Frankfurt at 1.8933 DM, up from 1.8908 on Thursday, and in Paris at 6.3270 French francs, up from 6.3120.

The dollar closed in Zurich at 1.5578 Swiss francs, down from 1.5670 Thursday.

Pressure Grows For Realignment Of EMS Rates

Reuters

FRANKFURT — The European Monetary System's joint currency float is showing renewed signs of tension that could lead to a major realignment within the next few months, analysts said Friday.

Most analysts expect an adjustment after the meeting of the International Monetary Fund and World Bank meeting in late September. But some said that a realignment could come sooner if the dollar's sharp decline continues, inflating the Deutsche mark against other EMS currencies.

The dollar plunged Friday against the mark after the release of poor U.S. trade data.

Until Friday, the pressure for a realignment had been coming from weakness in minor currencies in the eight-nation currency system, such as the Danish krone and Belgian franc.

TRADE: *U.S. Deficit Balloons to $15.71 Billion, in Shock to Administration*

(Continued from Page 1)

$36.84 billion, from $34.82 billion the month before.

Exports, also increased, but more modestly — to $21.13 billion from $20.78 billion in May.

"The deficit is very large and very disappointing," said Robert Ortner, undersecretary of commerce for economic affairs.

Although the lowest forecast for the June deficit had been $12 billion, most estimates had been between $13 billion and $13.5 billion.

Friday's trade report is likely to undermine the Reagan administration's effort to convince Congress that the U.S. trade deficit is improving under the pressure of a weaker dollar.

The administration wants to soften provisions of trade legislation that is before a House-Senate conference committee. It contends the legislation would restrain trade and invite retaliatory steps from trading partners.

Mr. Ortner said the trade debate in Congress may be one reason behind June's disappointing figures. "Importers may feel there might be some shut-offs or some tariffs, and they're importing more goods in anticipation," he suggested.

Although the value of the dollar against other key currencies has fallen by more than 50 percent in the past two years, this depreciation has yet to trigger the improvement in trade accounts the Reagan administration has long awaited.

A weaker dollar generally makes imports more expensive at home and U.S. goods more competitive abroad.

In the June figures, the United States ran a $2.92 billion deficit with Western Europe, up from $2.60 billion in May.

The deficit with Canada was a relatively small $530 million — after the agency's adjustment that improved the trade balance by $608.5 million.

"The large rise in the merchandise trade deficit in June indicated a far weaker trade sector than expected, but also one in which improvement virtually ceased in real terms," said Charles Lieberman of Manufacturers Hanover Securities Corp.

"It now appears that improvement" in the U.S. trade gap "has slowed dramatically and suddenly," Mr. Lieberman said, adding that the deterioration will not be reversed easily.

"This raises the specter that Congress or the administration may revert to talking the dollar down or considering new trade sanctions," he added.

Some analysts said the unexpected trade deterioration may be a sign that the U.S. economy has now reaped the benefits of the dollar's two-year decline, and that more dollar depreciation is needed in order to narrow the trade deficit.

Economists also said that trade figures did not seem to jibe with recent evidence of U.S. economic growth.

A 0.8 percent rise in U.S. industrial output, reported Friday, and a gain of 70,000 manufacturing jobs, reported last week, seemed to point to a continued rebound in the U.S. industrial sector.

Commerce Department officials said earlier this week that they would start using Canadian figures on shipments from the United States into Canada, asserting that they were more reliable than U.S. figures.

They said this is because many truckers failed to complete detailed declarations for the U.S. Customs Service on what they are taking into Canada.

By contrast, Canadian customs procedures are more stringent and exports missed by U.S. authorities are usually logged as imports on the Canadian side of the border.

The decision to use Canadian figures on U.S. exports was expected to improve the U.S. trade deficit — at least on paper — by about $10 billion a year. *(AP, UPI, Reuters)*

BANK: *At Continental Illinois, New Chairman Faces Tough Rebuilding Job*

(Continued from first finance page)

one. The bank's earnings have been poor because of its traditional dependence on business from huge multinational corporations. These companies more often than not borrow among themselves these days through the issue of IOUs called corporate paper.

When they do borrow from banks, it is at extremely low interest rates, only a touch higher than the rates Continental itself pays for funds. This sort of lending constitutes a big part of Continental's business, which means its cost structure must be far lower than that of most other banks to make a comparable profit.

And Continental's top officers concede that the bank has not shrunk its staff and overhead in line with smaller assets. "We still have a long way to go," a senior officer said.

More important, other banks that cater to the major corporations, such as Bankers Trust and Morgan Guaranty Trust Co., supplement their meager earnings from loans to these companies with fees from the delivery of highly sophisticated merchant banking services. These include the raising of money in world markets and interest-rate and foreign-exchange swaps.

But even the most successful commercial banks have found it difficult to attract and pay the talent needed to provide such services, and it is far harder for a troubled institution such as Continental.

"The first thing Theobald is going to do is hire some big-name merchant bankers and get some real credibility in investment banking," an officer of another Chicago bank predicted.

Even before Mr. Theobald's appointment, Continental was trying to capitalize on its close ties with Chicago's financial markets.

At the end of last year, for example, it paid $136 million to buy First Options of Chicago Inc., a firm that clears and finances options trades for large securities firms.

"Buying First Options was a very good step because it produces fee income, practically risk-free," said Joan T. Goodman, a banking analyst at Pershing & Co. in Chicago.

For $23 million, Continental has also acquired three small suburban banks, with total assets of about $176 million. Further, in this year's second quarter Continental announced that it planned to spend $21 million to buy two more small suburban banks, with combined assets of $164 million. The plan was to increase Continental's base of federally insured consumer deposits, making it less vulnerable to runs by big depositors.

But some analysts and Continental officials themselves have questioned these moves.

"Buying up a lot of small banks is an expensive way to get into the consumer business," said Eileen M. Friars, who heads the financial services division of MAC Group, a management consulting company in Cambridge, Massachusetts.

The bank's earnings are being hurt, in part, because it sold off profitable businesses to raise cash before the FDIC rescue.

Yet Continental still must do something to improve its earnings. Largely because of its dependence on low-yielding loans to big corporations, its core business of lending is barely making a profit.

J. Richard Fredericks, a bank stock analyst at Montgomery Securities in San Francisco, said Continental's net interest income, which is the difference between interest paid for its funds and interest received on its loans and investments, dropped to 1.75 percent of total assets, from 2.28 percent in the second quarter of 1986.

A major reason for the decline was Continental's decision to place its loans to Brazil and Ecuador on a nonaccrual basis, which means that interest due cannot be counted in earnings until the cash is actually received. Other large banks had similar problems, but their earnings were not so seriously affected.

Part of the problem at Continental has been that, except for its Latin American loans, its balance sheet has not been growing and therefore its Third World loans remain a relatively high percentage of its overall assets.

Continental's earnings are also being hurt because it sold off profitable businesses to raise cash before the FDIC rescue.

Most important was the sale of its large credit card unit. Because of the high interest rates charged on balances, credit cards are among the most profitable of banking activities. "With hindsight, that was a bad mistake," a Continental officer said.

Continental also sold its London merchant bank just before the FDIC bailout, partly to raise money and partly because it could not attract deposits. But it was a unit vital to the development of its merchant banking business. Seeking to recoup, Continental formed a new merchant bank in London last November.

Continental has also been cutting staff. Employment reached a peak of 12,189 at the end of 1983. Today it stands at 9,477. But, critics say, the cutbacks have not been fast enough.

Mr. Swearingen said in an interview that costs remain high partly because of legal expenses from the 1984 collapse, which led to huge lawsuits against the bank. He said that, to improve the bank's overall management, a new credit-analysis and monitoring system had to be put in place, information systems reorganized and new loan-pricing policies set.

Last year an operating loss would have been reported had it not been for about $172 million in nonrecurring factors, which is more than the $164.4 million the bank reported in net income.

In the first half of this year, earnings were skewed by Continental's decision, like that of most other major banks, to set aside a big reserve for possible losses on loans to Third World countries. At Continental, the reserve amounted to $500 million. Excluding that, its first-half net income would have been $66.2 million, down sharply from the $79.8 million reported in the first half of 1986.

On the plus side, thanks to the FDIC's infusion of funds, Continental has a fairly strong capital base that will give Mr. Theobald flexibility in any possible restructuring. Stockholders' equity stood at $1.57 billion at the end of the second quarter, or 4.69 percent of total assets, well above the 3.75 percent average at the 15 largest U.S. bank holding companies.

Some analysts say that the pieces exist for a comeback but that progress had been retarded by the rift between Mr. Swearingen and Mr. Ogden.

"Everyone was taking sides, there was no corporate pride," said Joan Goodman, the analyst at Pershing & Co. "If Tom Theobald could bring a team spirit to Continental, he'll have it in the bag."

New York Stock Exchange Listings, Volume Set Records in First Half

Reuters

NEW YORK — The New York Stock Exchange said Friday that a record 72 companies started listing their stock on the exchange in the first half of 1987, bringing the number of listed companies to 1,613.

At the end of June, the exchange said, 65.3 billion shares of stock with a value of more than $2.7 trillion were available for trading on the exchange.

It said that average daily volume rose to a record 185 million shares, while total volume for the first six months was a record 22.43 billion shares, up 27.7 percent from 17.56 billion shares in the 1986 first half.

NYSE-listed companies account for about 83 percent of all publicly traded stock in the United States, the exchange added.

The exchange said the trend in new listings over the past few years has been toward younger, entrepreneurial and international companies. More companies are also listing on the NYSE via initial public offerings, it said.

Friday's OTC Prices

NASDAQ prices as of 4 p.m. New York time.

Via The Associated Press

Sales in 100s. Net Chge.

A

12 Month High	Low	Stock	Div.	Yld.	100s	High	Low	4 P.M.	Chge
25¾	17	ADC			272	24¾	23¾	24¾	— ⅛
17	10⅝	ASK			437	16¾	16¾	16¾	+ ⅛
22¾	14	AST			670	17⅝	17⅝	17⅝	— ⅛
19¼	8¼	AbingS			1594	18¼	18	18	+1¼
19½	15	ActARt			23	18½	18¼	18½	+1
28	15	Actind s			2401	22	21¾	22	+ ⅛
23¼	7½	Acusn			1284	23¼	22¾	22	+ ⅛
29¾	8¾	Adapt			197	13	12¾	13	
31½	11¼	AdidaSy	.10	.3	65	30½	29¾	30¼	+ ⅛
8	5¾	AdobS s			1409	7¾	7¼	7¾	+ ⅛
27⅛	4¾	AdvTel			341	27	26¾	26¾	— ⅛
10⅝	4	Advsfy			1091	10⅛	10⅛	10⅛	+ ⅛
15¾	9½	AlBah			254	14⅝	14	14⅝	+ ⅛
27¾	13⅝	AgencyR			273	23½	23	23½	
34¼	19⅝	Agnico g	.20	.8	1029	25¼	24¾	24½	—1¼
14⅝	8⅝	AirWisc			170	10¼	10¼	10¼	+ ⅛
17¾	11	AlaFdl s	.101	.7	20	15	14¾	14¾	— ⅛
20	14	AlcoHlt			185	17⅝	17⅝	17⅝	+ ⅛
28	14¼	AlexBr s	.16	.8	85	19¾	19¾	19¾	
40¾	24½	AlexStd	1.36	2.3	306	39¼	38	39	+ ⅛
31	20¼	AlexW	.30	1.3	870	24	23¼	23¾	+ ⅛
15¾	6¼	AllegBv			1373	14	13¾	13¾	+ ⅛
37	14½	Alliant			2761	16¼	15¼	15¾	— ⅛
10¾	7¾	AllidBn			3755	9	8¾	9	— ⅛
17⅛	9¼	Altos			915	13¾	13¾	13¾	— ½
13¾	9¼	Amcast	.44	3.6	45	12¼	12¼	12¼	
12¾	7	AMAlrl			1	8¾	8¾	8¾	— ⅛
16	11⅛	ABnkr	.50	4.2	610	12¾	11¾	12	— ½
19⅝	11¼	AmCorr			112	16⅝	16	16	
13	5¾	ACentl s			57	7¼	6¾	7¼	— ⅛
27	24	AGreat	.44	2.3	2213	29¼	27¾	28¾	+ ⅛
15⅝	11¼	AmInLf	.40	3.2	252	12⅝	12⅝	12⅝	
19¼	14¾	AMAS s			104	17¾	17½	17¾	
30⅝	22¾	AnHns	1.32	3.3	130	40	39¼	40	+ ⅛
21⅝	15⅝	ASvNY	.45e	2.4	1299	19	18⅝	19	+ ⅛
25¼	19½	ASNY pf	1.81	8.3	20	21⅝	21	21⅝	+ ⅛
21⅝	15½	ASoft s	.12	.7	438	18	17½	17½	— ⅛
29½	14½	ATvCm			249	27	26¾	27	+ ⅛
14⅝	8	AmFltFd			284	13½	13	13½	+ ⅛
27¼	18⅝	Amrtr s			1528	24¾	24	24¾	+ ⅛
44¾	13¾	Amsen			1237	22½	21¼	22¼	
26⅝	19	AmstBk	.64	3.1	169	20½	20¼	20½	+ ⅛
9¾	4⅝	Amvst s	.20	3.4	144	5¾	5¾	5¾	
13¼	7½	Analgic			274	8⅝	12¼	12¼	+ ⅛
22	12⅝	AndvSv	.60e	3.4	160	17⅝	17¼	17¼	+ ½
23¼	17¾	Andrew			322	17⅝	17¼	17⅝	+ ⅛
24	15	AnthC s	.30	1.3	975	23	22¼	23	+ ⅛
19¾	7¾	ApogEs	.14	1.3	125	10⅝	10⅛	10½	
24¼	16¾	ApolcC			4152	21¼	20⅝	21¼	+ ⅜
37¾	22½	ApplBk			24	34¾	34¾	34¾	—1¼
28¼	15¾	AppleCo s	.061	.1	7362	20	18	19	+1
16	12¼	ArbMed			1229	16½	15½	16½	+ ⅛
46	31¼	ArbBlo			731	39½	38¾	39	— ⅛
31	8	ArdMR			2749	31	30¼	31	+ ⅛
12⅝	4½	Archive			1494	7¾	7¼	7½	
25¾	17¾	AroGep			284	21¼	20¾	21	+ ⅛
12¾	7¾	Artech			93	10¾	10	10¾	+ ⅛
27¼	16¼	Armor	.40	1.5	227	26⅝	26	26⅝	
12	5¾	Asbest s			156	7¼	7	7¼	+ ½
31¼	11¼	Ashtn s			2500	25	24½	24¾	— ⅛
26¾	20⅝	ASGLI s	1.60	6.6	719	24¾	24¼	24¾	
14½	9¼	AtlFin	.28	2.5	1000	11¼	11	11¼	— ⅛
30½	21	AtlRes			496	26¾	26	26¾	
13⅝	9¾	AtlSvAr			119	12⅝	12⅝	12⅝	
34	8¾	Autodis s			2343	30	28¾	29¾	+ ¼
19¼	12⅝	Avalnk			2484	15⅝	15	15	

B

12 Month High	Low	Stock	Div.	Yld.	100s	High	Low	4 P.M.	Chge
11⅝	6¼	BEI	.04e	.7	534	9⅝	8⅝	8⅝	— ⅛
15¾	10⅛	BR Intnc			335	10½	10¼	10½	+ ⅛
22⅝	7½	BdrCr			3	21¾	21¾	21¾	
33¼	23½	BakrFn	1.00a	1.9	37	53¾	52¼	53¼	
17	9¾	BakrJ s	.06	.4	80	16¾	16¾	16¾	— ⅛
25¼	14⅝	BkLvB	.20	1.4	21	14⅝	19	19	— ⅛
42	26¾	BnBos s	1.20	4.2	285	28½	28¼	28¾	+ ⅛
46	24⅝	BnPnc s	1.20	4.2	126	29¼	28¾	29	
34	29	BnPop	1.52	4.2	267	36	35¼	35¾	+1
59	45¼	BcpHw	1.94	3.4	129	57	55¾	56¾	— ⅛
14	8⅝	Bancinc			139	13¾	13½	13¾	+1
27¾	17¾	BKNE	1.54	6.4	1622	24¼	23¾	24	— ⅛
31	13	Bnkatl s	.48	3.1	1518	15¾	14¾	14¾	+ ⅛
17¾	11¼	BnkpCtr			1	14¾	14¾	14¾	+ ⅛
27	17¼	Bankv	.20b	.7	150	28¼	27½	27½	— ⅛
27	17¼	Bankn	.44	1.7	498	27	26¼	26¾	— ⅛
22¼	12¼	Barrts			51	14¾	14¾	14¾	
52	30¼	BasFr	.80c	1.6	1136	49	48	48	—3
44⅝	33⅝	BatRst	.10	.3	8990	35	35¼	35¼	—½
14¾	11⅝	BayVw			1	16⅝	16⅝	16⅝	+ ⅛
48¼	35¼	BayBks	1.44	2.0	585	47¼	46¾	47	— ⅛
21¼	6¼	BeautrC			1	8¼	8¼	8¼	— ⅛
15¾	10	Beebas			130	13	12¾	12¾	— ⅛
15⅝	11½	BellSv			121	13	12¾	12¾	+ ⅛
10½	6¾	BenjSv			142	7¾	7¾	7¾	— ⅛
36⅝	22⅝	BerkEy	.28	1.0	1487	29	28¼	28¾	+1¼
417	232	BerkHa			2	410	410	410	+ ½
57¼	35½	BetzLb	1.52	2.7	411	57¼	56½	57¼	+ ½
12	6½	BevSve			1	7½	7½	7½	+ ⅛
27	13¾	BgBear			1	27½	26¾	27½	+1
17⅝	10¾	Bindly			762	11⅝	10⅝	11	+ ⅛
13	7	BlMedc			77	9	9¾	9¾	— ⅛
6¼	2⅝	BioRes			145	3⅛	3	3⅛	
16	5¾	Biogen			1052	10⅝	10	10⅝	— ⅛
28⅝	13⅝	Biomet			195	27½	27	27	— ½
18⅝	7¾	BioTcG			221	10	9¾	9¾	— ⅛
24¼	12½	BioSd			116	25¼	25	25	— ½
34¼	20⅝	BlckD	.54b	1.7	2	31½	30¼	31½	+ ½
41¼	9	BlckEn			978	41¼	40	40½	— ½
45½	35	BostBn	1.84	4.4	289	40½	40	40	
37¼	17⅝	BoSvEs	.28	1.1	315	25½	25¼	25½	
26¾	12½	Bohema	.05r	.2	145	23¼	23¼	23¼	
14¾	5	BoomIP			1404	6	5¾	5¾	
25¼	14½	BostBcs	.40	2.6	114	24¾	24	24¾	+ ⅛
43	15¾	BstFC	.48	1.7	214	28⅝	28	28	— ⅛
26½	12	Bronfrs	.15e	.1	13	15¾	15	15	— ½
27	8	Brand	.05	.2	738	29	28½	28½	
19⅝	3⅝	Brkwd s			930	6⅝	6½	6½	— ⅛
24⅝	10⅝	BdeCm			391	22⅝	22⅝	22⅝	+ ⅛
11	8¼	Brnkmn			301	9⅝	9⅝	9⅝	— ⅛
16¼	9¼	BwnTrn	.04e	.4	22	11¼	11¼	11¼	— ⅛
22⅝	14¼	Brunos	.20	.9	1010	21⅝	21¼	21¼	— ⅛
22½	13¾	BuildT			958	18¼	17⅝	18¼	
32¾	13¾	Bnhm	.24	.9	5	26¾	26	26¾	
14⅝	9½	BurrB s			126	13⅝	13¼	13⅝	— ⅛
46⅝	23⅝	BMA	1.10	2.7	235	40¼	39½	40¼	+ ⅛
19	8	BusInd			474	14⅝	13⅝	13⅝	— ⅛

C

12 Month High	Low	Stock	Div.	Yld.	100s	High	Low	4 P.M.	Chge
14⅝	8½	CCC			1459	10⅝	9⅝	10⅝	+ ½
34¾	17¾	CDC			48	22⅝	22⅝	22⅝	
25⅝	13¾	CFS			62	19½	18½	19½	— ⅛
30⅝	13⅝	CML			133	30⅝	30⅝	30⅝	— ⅛
23	16½	COMB			382	19⅝	19	19	— ⅛
27½	14⅝	CPI s	.16	.4	1413	27¼	27	27¼	
38¾	11¼	CUC Int	1.20e	2.8	722	26½	27½	28	— ⅛
47¼	34¾	CWrSc			176	43⅝	41⅝	43⅝	+1¼
18¼	5	Cadmrk			100	14	14	14	— ⅛
15¾	8	Calgene			179	11¼	11¼	11¼	
21¼	10⅝	CalBkr			197	7⅝	7⅝	7⅝	+ ⅛
16⅝	6⅝	CalMic			189	11¼	11	11¼	+ ⅛
12⅝	4⅝	Calny	.16	1.4	457	11½	11	11½	
13	4¾	CamBs			407	7¾	7¾	7¾	—1½
40⅝	22¼	Conaol	.18e	.5	370	36½	32¾	33⅝	— ⅛
35½	12⅝	Conaole			42				

12 Month High	Low	Stock	Div.	Yld.	100s	High	Low	4 P.M.	Chge
62½	44½	FlagsA	.88	1.1	377	82½	81½	81½	
14¼	9⅝	FlnNat			201	10⅝	10	10⅝	+ ⅛
6⅝	3⅝	Flnpmx			237	5¼	5⅛	5¼	
21¼	8½	Finson			153	20¼	19¾	19¾	— ⅛
24⅝	19⅝	FAIoBk	.76	3.6	663	21⅛	20⅝	21	+ ⅛
54	39½	FstAm	1.80	3.7	175	50	49	49¾	— ⅛
14	9	FtAtlC	.40	3.3	151	12½	11⅞	12	+ ⅛
33¾	25¼	FlATg	1.10	3.8	638	29½	29⅛	29⅛	— ⅛
22½	14¼	FlAmSv	.34	1.5	228	14	13½	13½	
16¼	9	FlCdB s	.32	2.2	4	14⅝	14⅝	14⅝	+ ½
21⅝	13⅛	FExec s			7733	19⅝	18⅝	19⅝	+ ⅛
25⅝	22⅛	FExpE	2.12a	9.3	35	23½	22⅝	22⅝	
29⅝	24½	FExpF	2.88	11.0	14	26⅝	26⅝	26⅝	
27⅛	18⅝	FExpO			328	22	21⅝	22	+ ⅜
28	18⅝	FFMic	.12	.6	395	21⅝	20⅝	21⅛	— ⅛
29	19	FFdCol			1	27	27	27	+1
30⅝	18⅝	FFFM s	.48	2.0	21	24½	24¼	24½	+ ⅛
15	9¼	FFdPR			31	10⅝	9⅝	10	— ⅛
16¼	8⅝	FFnNts s			1468	8¼	8⅛	8⅛	— ⅛
36¼	28⅝	FFtBk	.72	2.1	145	34⅝	34	34½	+ ½
30⅝	20¼	FtHaw s	.90	3.4	28	26⅝	26⅝	26⅝	
17⅝	12½	FtMCp s	.44	2.6	193	17⅛	16⅝	16⅝	— ⅛
28	17	FtNBk	1.80	7.5	40	24	23⅝	23⅝	— ⅛
41	27½	FMdB s	1.08	2.9	44	36½	34	34½	+ ½
21	11	FMdIS s			31	20	20	20	
34	24	FNCbn	1.64	3.4	101	49⅝	49⅝	49⅝	
35	23⅝	FNHB s	.40	2.3	36	27⅝	26⅝	27¼	+ ½
38⅝	21½	FSecC	1.10	3.5	602	31	30	31	+ ⅛
14¼	7⅝	FSvSlk			281	14¼	13½	13½	— ⅛
24⅝	17⅝	FTenn s	1.16	3.3	251	34⅝	33⅝	34⅝	+ ⅛
29½	22½	FstUC s	1.80	3.5	1027	27	26⅝	26⅝	— ⅛
11¼	6¼	FtWFn	.36	2.7	961	16⅝	16¼	16¼	
34½	22	Firstel	1.10	3.2	40	34⅝	34	34	— ½
24⅝	21⅝	FlsBrk			101	22½	22½	22½	— ⅛
27¼	17	FlcNBF	.48	2.0	1114	24½	23⅝	24⅝	+ ⅛
10¼	3½	Fenor			411	5⅛	5	5⅛	+ ⅛
20⅝	14⅝	FLienA	.14	.7	1344	19⅝	18⅝	19⅝	— ⅛
20⅝	14⅝	FLienB	.14	.7	1	19⅝	19⅝	19⅝	— ⅛
28½	22⅝	FnAm s	.94	3.4	44	27	26½	26⅝	+ ⅛
31⅝	21	FortnF	.30e	.1	172	27	26⅝	26⅝	— ⅛
9⅝	4⅝	Forum s	.16	1.1	941	5⅝	5⅝	5⅝	
18⅝	9⅝	Framlty			72	14⅝	14⅝	14⅝	
18⅝	14⅝	FrankFd	.60	3.4	225	18	17⅝	17⅝	+ ⅛
16½	4⅝	Fretter			302	6½	6⅛	6⅛	— ⅛
46½	29⅝	FstFtB	.42	.9	89	46	45⅝	45⅝	— ½
9½	6⅝	FullFS			34	7	6⅝	6⅝	— ⅛

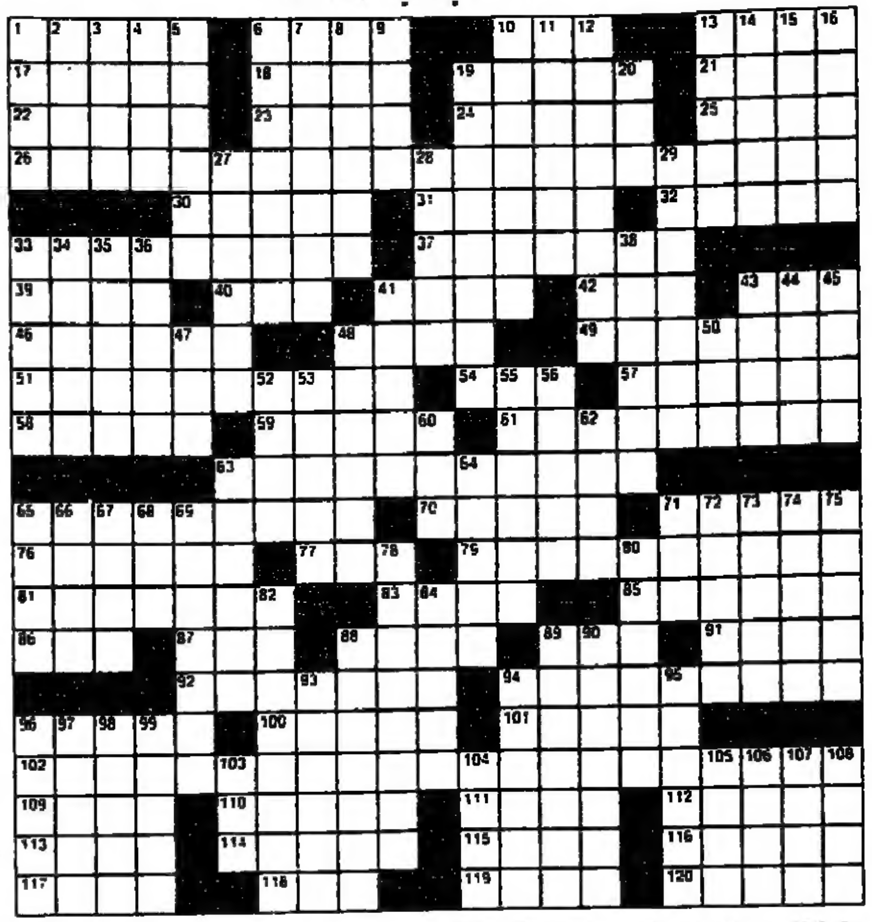
G

12 Month High	Low	Stock	Div.	Yld.	100s	High	Low	4 P.M.	Chge
22¼	18½	GWC	1.32	6.9	102	19⅝	18⅝	19⅝	+ ⅛
12¼	7¼	Galoc g			2845	11⅝	11¼	11¼	+ ⅛
24⅝	17¼	Gallbes s			74	17⅝	16⅝	17⅝	
33¼	19	GalgA	.40	1.9	33	21	20⅝	20⅝	— ⅛
22⅝	13½	Gantos			730	21¼	21¼	21¼	+ ½
22⅝	13¼	GardA			49	16⅝	16⅝	16⅝	
22½	13¼	Gatwfs s			476	21⅝	19⅝	19⅝	—1¼
12½	4½	Gatway			781	6⅝	6½	6⅝	
65¼	39½	Genetc s			2394	42¼	41	42¼	
17⅝	12⅝	GenRin			300	16⅝	15⅝	15⅝	+ ⅛
16½	6⅝	Genlcm			293	12	11½	11½	
14	8⅝	Genmar	.24e	2.2	400	11	10⅝	10⅝	
14	6⅝	Genzym			405	12⅝	12⅝	12⅝	+ ⅛
27¼	19⅝	GeoSoft			2669	59	53⅝	53⅝	+2⅝
23⅝	14⅝	GibbsG	.36	1.4	176	17⅝	17⅝	17⅝	
8⅝	2⅝	Glamis s			388	6⅝	6	6⅝	— ⅛
23⅝	13	Godfry s	.32	1.1	30	29⅝	29⅝	29⅝	— ⅛
29½	23⅝	GldNVi s			48	23⅝	23⅝	23⅝	+ ⅛
25⅝	14⅝	Gottschk	.04	.4	58	11⅝	11⅝	11⅝	+ ⅛

Elvis By Joy L. Wouk

ACROSS

1 Molten-metal carrier
6 Memphis god
10 Parts of dols.
13 Danish cape, with "The"
17 Of oil
18 Hall, in Hamburg
19 Snapshot
21 Londoner's subway
22 Third of a series
23 Pass receiver Collinsworth
24 Kind of quarter
25 Corrida sounds
26 Presley vending song: 1963
30 One of the Hebrides
31 Wylie's "The Orphan ——"
32 Glacial ridge
33 Presley estate
37 Unfruitful
39 Peruvian clothing
40 Latin conjunctions
41 Anthropologist Margaret
42 She wrote "Delta of Venus"
43 Fannie follower
46 Colonel North
48 Legendary British king
49 Ecdysiast's covering
51 Rueful Presley song. 1961
54 Abdul-Jabbar's gp.
57 Takes care of
58 "Pagliacci" role
59 Got on
61 Perfect
63 Hopeful Presley song: 1968
65 Autonomous region of NW Italy
70 Indo-Iranian
71 Weighs or weights
76 Teem
77 H.S. V.I.P.'s
79 Presley avowal song: 1966
81 Excellent
83 Radio amateurs
85 Product resulting from cracking petroleum
86 Enzyme suffix
87 Ending denoting origin
88 Champagne town
89 Brazilian border river
91 Utah resort
92 Made ineffective
94 Giving-up Presley song: 1961
96 Algerian cavalryman
100 Onto
101 Qum native
102 Presley thoughtful-question song: 1960
109 Rich source
110 Wimps' cousins
111 Strigiformes sound
112 Sister, to Cato
113 Tied
114 Key
115 Defoe heroine
116 Battery terminal
117 Louis L'Amour's "The Haunted ——"
118 Dutch commune
119 Barrie pirate
120 Billiard stroke



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DOWN

1 Trademark
2 Senator Cranston
3 Attica division
4 Tamarack part
5 Card game for two
6 Rodent robber-hoarder
7 Soup vessels
8 Brought into agreement
9 Diner order
10 What the Light Brigade did
11 Walk like a two-year-old
12 Oppressive
13 Facing a glacier
14 Farmer opposed to Soviet collectivization
15 White poplar
16 Hamein's river
19 Banana plant
20 Yoko ——
27 Edmonton hockey team
28 Studio feature
29 Come again
33 Intersecting vaults' edge
34 Pocahontas's spouse
35 On foot, in Paris
36 Hollowed out
38 Supple
41 Jason's first wife
43 —— en scène
44 Leaf cutters
45 Selves
47 Guido note
48 Commuter's delight
50 Sis, e.g.
52 Some switches
53 Lures
55 Emerald and aquamarine
56 Of a region
60 Genetic material
62 Rave's partner
63 Treat with a certain antiseptic
64 Small amounts
65 Cow, in Vigo
66 Down with, in Dijon
67 Long, swinging stride
68 Twos, in Roma
69 Violinist-composer Vivaldi
71 Toque or cloche
72 Patriot Allen
73 Kind of goal or trip
74 Pierre's aunt
75 Besmirch
78 Most transparent
80 ". . . —— evil"
82 Court jargon
84 Vicuña's milieu
88 Met zealot
89 Halo
90 Babble
93 Kissinger's "—— Restored . . .": 1957
94 African desert wind
95 Lonely, in Ems
96 City in India
97 Try out
98 Yellow-fever vector
99 Wolflike carrion eater
103 Prefix with form or cycle
104 Electrical resistance units
105 New Rochelle college
106 —— de Londres (ribbed silk)
107 Coal scuttles
108 Shoe insertion

BOOKS

WAR GAMES: The Secret World of the Creators, Players, and Policy Makers Rehearsing World War III Today

By Thomas B. Allen. 402 pages. $19.95. McGraw-Hill Book Co., 1221 Avenue of the Americas, New York, N. Y. 10020.

Reviewed By Paul Bracken

THE nuclear war game — a simulated superpower conflict in which high-level players test war plans by means of computer analyses — is a part of the lore of the atomic age. Along with Dr. Strangelove and the "black bag" of war codes that accompanies the president, war games are the subject of fascination among people who concern themselves with the problems of national security and danger.

Public interest in the subject is different from that of the insider professionals who design these games. if Thomas B. Allen's book "War Games" is a fair description of the war-gaming industry today, as I believe it is. Inside this secret world, process dominates subject matter, and there is greater interest in perfecting arcane methods than in nailing down conclusions about preferred policies. More fundamentally, there is a kind of relaxed everydayness attached to the business, and a view that it is indeed a business with marketing fads, competitive infighting and nasty comments about the field as a whole. For insiders, war gaming develops a familiarity and routine that remind one more of managing a video store or cheese shop than of running a nuclear crisis.

Allen's book is an interesting account of war gaming today, three decades after the excitement of the pioneering work in the 1950s has worn off. Back then the problems were new, because nuclear weapons were new. People apparently thought nuclear war was something of a possibility. No longer, as Allen lets us know. Current sophisticated thinking discounts the likelihood of the big war, and one of the problems in war gaming today is to get the game to go nuclear. Allen asserts that Pentagon games have to be rigged to get a nuclear escalation, and that one advantage of replacing human beings with role-playing computer programs is that escalation becomes much easier.

The strength of "War Games" lies in its insights, like the difficulty of getting human players on either the Soviet or American sides to initiate nuclear war. Games capture insights and experiences that are not written down anywhere else, so books such as this become important vehicles for communicating within the large defense establishment. In a European war the Soviets detonate a high-altitude nuclear explosion, the radiation from which knocks out NATO's radios and radar. NATO then must negotiate in the blind, or escalate without knowing what's really going on. Or consider the Soviet nerve gas attack in a different war also played in Europe: "Very few of the base personnel had managed to get into their protective gear in time . . ." Both the command-and-control blackout problem and the inability of NATO forces to protect themselves from chemical attack are real concerns that might be ignored even more than they are were it not for the forced attention arising from their examination in war games.

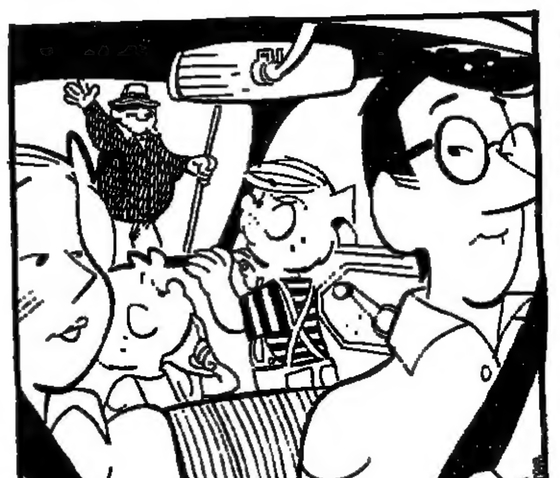
"War Games" is full of anecdotes, comments, digressions and after-hours gaming stories that are the best part of the book. These after-hours tales often contain much more interesting material than do the official game reports written within the bureaucracy. They give an intuitive feel for how people face what at bottom are impossible decisions, and they are not restricted to committee review as are official reports. Official committee reviews often have to remove all material conclusions that might be offensive, and they are dominated by consideration of process and method rather, than subject.

Allen also does a good job of politely describing an all-too-common gaming phenomenon of the 1980s: the rigged game. Some games are designed by tamed consultants to endorse pet Army or Navy views, the reward for which is often a consulting contract. Indeed, within the gaming industry there are some large annual simulations whose outcomes are so tightly controlled by their sponsors that they are widely viewed as advertising campaigns.

Thomas Allen's "War Games" may strike some as a bit disorganized, without an overarching theme connecting the scores of games and research centers that he describes. However, this is actually a feature of the gaming field in the 1980s, and is something the author cannot be faulted for. His book should be seen as an interesting update on a fascinating and important subject.

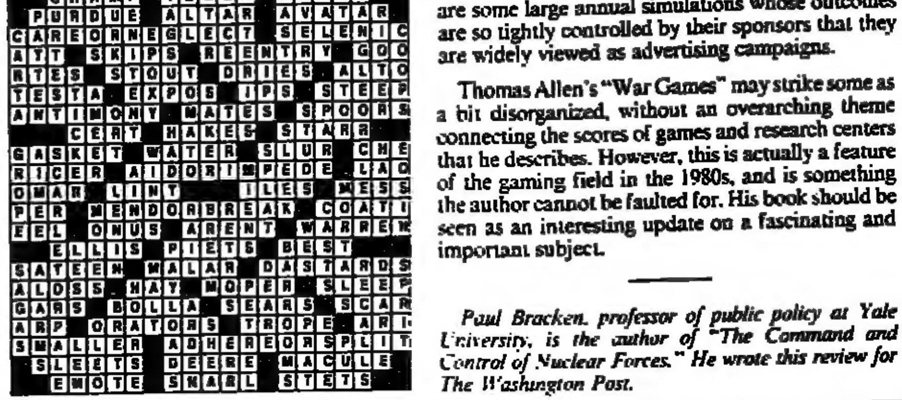
Paul Bracken, professor of public policy at Yale University, is the author of "The Command and Control of Nuclear Forces." He wrote this review for The Washington Post.

DENNIS THE MENACE



"MR. WILSON'S SO HAPPY YOU'D THINK HE WAS THE ONE GOIN' TO VISIT UNCLE CHARLIE'S FARM!"

Solution to Last Week's Puzzle



CHAMP TESLA CADET
PURDUE ALTAR AVATAR
CAREORNEGLECT SELENIC
ATT SKIPS REENTRY GOO
RTES STOUT DRIES ALTO
TESTA EXPOS IPS STEEP
ANTIMONY MATES SPOORS
CERT HAKES STARR
GASKET WATER SLUR CHE
RICER AIDORIMPEDE LAO
OMAR LINT ILES MESS
PER MENDORBREAK COATI
EEL ONUS ARENT WARREN
ELLIS PIETS BEST
SATEEN MALAR DASTARDS
ALOSS HAY MOPER SLEEP
GARS BOLLA SEARS SCAR
ARP ORATORS TROPE ARI
SMALLER ADHEREORSPLIT
SLEETS DEERE MACULE
EMOTE SNARL STETS

PEANUTS

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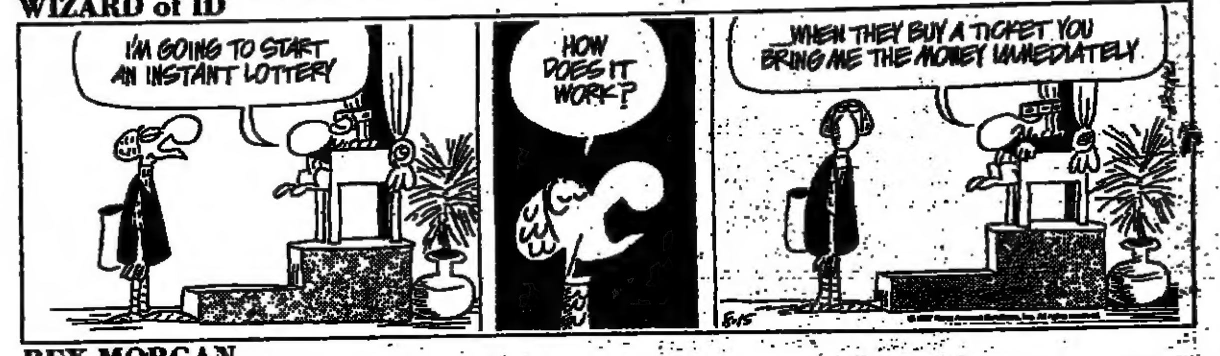
WIZARD of ID



REX MORGAN

GARFIELD

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	26	79	19	66	cl
Amsterdam	20	68	16	61	o
Athens	32	90	23	73	cl
Barcelona	29	84	19	66	fr
Belgrade	25	77	8	46	fr
Berlin	20	68	14	57	r
Brussels	21	70	17	63	cl
Budapest	17	63	8	46	r
Copenhagen	19	66	12	54	r
Costa Del Sol	27	81	24	75	o
Dublin	18	64	11	52	sh
Edinburgh	17	63	12	54	sh
Florence	34	93	18	64	cl
Frankfurt	24	75	15	59	cl
Geneva	31	88	16	61	o
Helsinki	15	59	10	50	cl
Las Palmas	28	82	22	72	fr
Lisbon	25	77	19	66	cl
London	23	73	13	55	o
Madrid	35	95	22	72	cl
Milan	29	84	21	70	cl
Moscow	19	66	8	46	cl
Munich	25	77	13	55	cl
Nice	28	82	23	73	fr
Oslo	19	66	13	55	o
Paris	27	81	15	59	cl
Prague	21	70	13	55	cl
Reykjavik	14	57	8	46	fr
Rome	32	90	19	66	fr
Stockholm	18	64	10	50	cl
Strasbourg	28	82	15	59	cl
Venice	26	79	16	61	fr
Vienna	18	64	12	54	cl
Warsaw	21	70	6	43	o
Zurich	28	82	16	61	cl

MIDDLE EAST	HIGH C	HIGH F	LOW C	LOW F	
Ankara	26	79	11	52	cl
Beirut	—	—	—	—	na
Cairo	37	99	24	75	fr
Damascus	37	99	19	66	fr
Istanbul	27	81	18	64	cl
Jerusalem	32	90	18	64	fr
Tel Aviv	34	93	23	73	fr

OCEANIA	HIGH C	HIGH F	LOW C	LOW F	
Auckland	14	57	5	41	fr
Sydney	21	70	12	54	o

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	37	98	26	79	cl
Beijing	24	75	20	68	r
Hong Kong	33	91	26	79	sh
Manila	30	86	24	75	o
New Delhi	32	90	24	75	cl
Seoul	32	90	25	77	cl
Shanghai	32	90	23	73	sh
Singapore	22	72	10	50	o
Taipei	34	93	27	81	st
Tokyo	31	88	23	73	cl

AFRICA	HIGH C	HIGH F	LOW C	LOW F	
Algiers	32	90	22	72	cl
Cape Town	15	59	2	36	fr
Casablanca	26	79	19	66	cl
Harare	26	79	11	52	fr
Lagos	27	81	25	77	r
Nairobi	24	75	12	54	cl
Tunis	38	100	20	68	fr

LATIN AMERICA	HIGH C	HIGH F	LOW C	LOW F	
Buenos Aires	19	66	8	46	r
Caracas	26	79	16	61	cl
Lima	21	70	12	54	o
Mexico City	27	81	15	59	pc
Rio de Janeiro	—	—	—	—	na

NORTH AMERICA	HIGH C	HIGH F	LOW C	LOW F	
Anchorage	16	61	10	50	cl
Atlanta	31	88	21	70	pc
Boston	28	82	19	66	fr
Chicago	28	82	20	68	st
Denver	31	88	15	59	pc
Detroit	30	86	20	68	pc
Honolulu	32	90	24	75	fr
Houston	36	97	24	75	fr
Los Angeles	25	77	16	61	fr
Miami	33	91	23	73	st
Minneapolis	29	84	21	70	pc
Montreal	25	77	12	54	fr
Nassau	34	93	24	75	cl
New York	30	86	21	70	fr
San Francisco	20	68	13	55	pc
Seattle	20	68	12	54	cl
Toronto	24	75	14	57	fr
Washington	31	88	20	68	fr

cl-cloudy; fo-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sw-snow; st-stormy.

SATURDAY'S FORECAST — CHANNEL: Smooth. FRANKFURT: Cloudy. Temp. 26 — 15 (79 — 59). LONDON: Cloudy. Temp. 24 — 14 (75 — 57). MADRID: Fair. Temp. 34 — 21 (93 — 70). NEW YORK: Fair. Temp. 33 — 19 (91 — 66). PARIS: Cloudy. Temp. 27 — 16 (81 — 61). ROME: Fair. TEL AVIV: NA. ZURICH: Cloudy. Temp. 29 — 15 (84 — 59). BANGKOK: Fair. Temp. 37 — 28 (98 — 82). HONG KONG: Showers. Temp. 30 — 27 (86 — 81). MANILA: Cloudy. Temp. 31 — 25 (88 — 77). SEOUL: Rain. Temp. 32 — 22 (90 — 72). SINGAPORE: Stormy. Temp. 31 — 24 (88 — 75). TOKYO: Foggy. Temp. 31 — 25 (88 — 77).

World Stock Markets

Via Agence France Presse. Closing prices in local currencies. Aug. 14.

Amsterdam	Close	Prev.
ABN	511	507
ACF Holding	64.30	63.80
Aegon	99.40	99.50
Akzo	169.40	169.30
Ahold	112	111.30
Amev	68.20	68.10
A'Dam Rubber	9.70	9.90
Amro Bank	87	85
BVG	4.70	4.20
Buhrmann T.	57.80	58.80
Caland Hldg	22.50	22.70
Elsevier	63.50	64.10
Fokker	61.50	60.50
Gist Brocades	52	52
Heineken	198	197
Hoogovens	48	49.10
KLM	35.60	36.80
Nat Neder	80.20	79.80
Nedlloyd	178.50	182
NMB	172.50	170.50
Oce Vander G	475	472
Pakhoed	86.50	86.50
Philips	54	54.10
Robeco	115.70	116
Rodamco	143	143
Rolinco	109.90	109.90
Rorento	52.20	52.30
Royal Dutch	290.20	291.30
Unilever	153.20	154.70
Van Ommeren	40.20	40.70
VMF Stork	26.50	26.40
VNU	92.90	93.50

ANP-CBS general index: 336.10
Previous: 333.90

Brussels	Close	Prev.
Arbed	2035	2000
Bekaert	12500	12500
Cockerill	190	185
Cobepa	6540	6550
EBES	5480	5460
GB-Inno-BM	1392	1390
GBL	4230	4290
Soc Generale	4010	4035
Gevaert	8790	8750
Hoboken	8600	8630
Intercom	4225	4230
Kredietbank	4000	4095
Petrofina	13925	13975
Sofina	16300	16350
Solvay	15000	15250
Traction Elec	8450	8550
UCB	11575	11750
Unerg	3260	3360
Vieille Montagne	6520	6540

Current Stock Index: 5404.44
Previous: 5415.27

Frankfurt	Close	Prev.
AEG	359	354
Allianz Vers	2085	2045
Altana	450	447
BASF	336.50	336.20
Bayer	355	355.70
Bay. Hypo bank	497	481
Bay Vereinsbank	460	477
BBC	300	298
BHF-Bank	485	470
BMW	742	731
Commerzbank	304	300
Cont'l Gummi	373	363.50
Daimler-Benz	1205	1192
Degussa	549	548
Deutsche Babcock	245	245
Deutsche Bank	714	699.50
Dresdner Bank	365	358.50
Harpener	353	345
Henkel	567.50	562
Hochtief	713	705
Hoechst	322.50	323.50
Hoesch	136	133.50
Horten	[illegible]	[illegible]
Hussel	652	638
IWKA	314	303.50
Kali + Salz	222	215.50
Karstadt	545	528
Kaufhof	513.50	511
Kloeckner HD	200	190
Kloeckner Werke	148	141.80
Krupp Stahl	128	124.80
Linde	786	783
Lufthansa	212	215.50
MAN	200	194
Mannesmann	185.25	183.50
Muench Rueck	2750	2750
Nixdorf	858	858
PKI	876	865
Porsche	1005	1005
Preussag	223	220
PWA	249.50	239.90
RWE	255	249.50
Rheinmetall	385	384
Schering	632	621
SEL	466	465
Siemens	675	670
Thyssen	146.80	138.70
Veba	327.20	325.50
Volkswagenwerk	423.05	420.50
Wella	718	726

Commerzbank Index: 2041.12
Previous: 2023.10

Helsinki	Close	Prev.
Amer A	244	244
Enso-Gutzeit	44	43.95
Finnish Sugar	96	96
K.O.P.	55	55.50
Kymene	144	142
Nokia	203	201
Pohjola	135	135
Wartsila	350	350

Unitas Index: 602.30
Previous: 600.40

Hong Kong	Close	Prev.
Bk East Asia	[illegible]	35
Cathay Pacific	7.45	7.50
Cheung Kong	[illegible]	[illegible]
China Light	25.90	26.25
Green Island	17.90	17.90
Hang Seng Bank	48.75	46.50
Henderson	7	7.20
HK China Gas	25.25	25.40
HK Electric	9.35	9.30
HK Realty A	6.25	6.30
HK Hotels	68	[illegible]
HK Land	[illegible]	[illegible]
HK Shang Bank	[illegible]	[illegible]
HK Telephone	13.80	13.95
HK Yaumatei	[illegible]	[illegible]
HK Wharf	[illegible]	[illegible]
Hutch Whampoa	[illegible]	[illegible]
Hysan	[illegible]	[illegible]
Jardine	[illegible]	[illegible]
Jardine Sec	[illegible]	[illegible]
Kowloon Motor	[illegible]	[illegible]
Miramar Hotel	[illegible]	[illegible]
New World	[illegible]	[illegible]
SHK Props	13	[illegible]
Stelux	[illegible]	[illegible]
Swire Pac A	[illegible]	[illegible]
Tai Cheung	[illegible]	[illegible]
Wing On Co	4.32	4.15
Winsor	[illegible]	[illegible]
World Int'l	4.575	4.625

Hang Seng Index: 3512.15
Previous: 3574.27

Johannesburg	Close	Prev.
AECI	1650	1650
Anglo American	2950	2975
Barlows	2770	2770
Blyvoor	2525	2575
Buffels	[illegible]	7300
GFSA	5800	[illegible]
Harmony	5100	5250
Hiveld Steel	N.Q.	780
Kloof	5025	5075
Nedbank	790	785
Rusplat	6100	6175
SA Brews	2400	2390
St Helena	6050	6075
Sasol	1575	1575
Welkom	3675	3775

Composite Stock Index: N.A.
Previous: 2668.00

London	Close	Prev.
AA Corp $	24⅝	25⅝
Allied Lyons	420	420
Anglo-Am Gld $	113¾	115
Ass Brit Foods	379	370
Asda-MFI Gp	197	194
Barclays	567	560
Bass	929	929
B.A.T.	643	649
Beecham	556	557
Blue Circle	479	476
Boc Group	533	522
Boots	314	310
Bowater Ind.	516	504
British Aero	495	490
Britoil	314½	319
BP	369	376
British Telec.	270½	268
BTR	331	326
Burmah	599	595
Cable Wireless	442	447
Cadbury Schw	268½	263
Charter Cons.	445	440
Commercial U	366	359
Cons Gold Field	14 5/64	13⅞
Cookson Group	772	773
Courtaulds	480½	481
Dalgety	388	377
De Beers	16⅛	16¼
Driefontein $	24⅛	25⅜
Fisons	363	351
Freegold $	15½	15⅝
Gen Accident	994	991
GEC	218	217
GKN	411	410
Glaxo	17 37/64	17⅝
Grand Met	562	557
GRE	10 3/32	10 7/64
Guinness	354	349
GUS	22	22
Hanson	194½	191½
Hawker	577	570
ICI	15 7/32	15⅛
Jaguar	587	579
Lands Sec	542	541
Legal and Gen	332½	325
Lloyds Bank	321	343
Lonrho	307	306
Lucas	733	728
Marks & Sp	242	238
Metal Box	272	269
Midland Bank	465	453
Nat.West.Bank	745	735
P and O	693	689
Pilkington	313	314
Plessey	193	195
Prudential	13 29/64	13 15/64
Racal Electric	315	296
Randfontein $	124½	124¼
Rank	720	713
Reed Internat.	518	520
Reuters	894	893
Rover	81	79
Royal Dutch	86¾	87
RTZ	13 31/64	13 45/64
Saatchi	674	673
Sainsbury	276	278
Sears Holding	167	168
Shell	14⅛	14⅛
STC	285	322
Std Chart Bank	804	758
Storehouse	401	364
Sun alliance	10	9 63/64
Tate and Lyle	846	847
Tesco	185	183
Thorn Emi	673	671
T.I. Group	398	390
Trafalgar Hse	375	376
THF	249	247
Ultramar	281	280
Unilever	716	703
United Biscuits	330	323
Vickers	214	214
War Loan 3½% 36	27/32	36½
Woolworth	368	366

F.T.30 Index: 1785.30
Previous: 1778.40
F.T.S.E.100 Index: 2295.14
Previous: 2290.10

Madrid	Close	Prev.
Banco Santander	1339	1339
CEPSA	631	630
Dragados	810	800
Expl. Rio Tinto	839	840
Hidroelec. Esp	85.25	83.75
Telefonica	240	242

General Session Index: 290.76
Previous: 289.18

Milan	Close	Prev.
Banca Comm	2970	2980
Cigahotels	4530	4490
CIR	5470	5580
Cred Ital	1850	1831
Eridania	4349	4375
Farmitalia	10090	10010
Fiat	11095	11040
Generali	125550	126450
IFI	22600	22600
Italcementi	107200	107480
Italgas	2755	2760
Italmobiliari	129000	129800
Mediobanca	243300	242650
Montedison	2220	2240
NBA	3283	3294
Olivetti	11850	11875
Pirelli	4385	4450
RAS	59150	58900
Rinascente	1030	1048
SIP	2210	2219
SME	1912	1937
Snia	3326	3400
Standa	14000	14150
Stet	2999	3050

MIB Current Index: 977
Previous: 978

Paris	Close	Prev.
Air Liquide	697	682
Alsthom Atl.	390	371.50
Av Dassault	1103	1100
Bancaire	688	663
BIC	755	740
Bongrain	2900	2855
Bouygues	1208	1172
BSN-GD	4942	4921
Carrefour	3290	3225
C.G.E.	344.70	348.20
Chargeurs	1391	1391
Club Med	635	630
Darty	445	439
Dumez	1115	1080
Elf-Aquitaine	378.50	379.50
Europe 1	598	607
Gen Eaux	1240	1215
Hachette	2720	2740
Lafarge Cop	1650	1618
Legrand	2410	2600
Lesieur	1965	1963
L'Oreal	3899	3872
Martell	1915	1915
Matra	2215	2240
Merlin	2503	2438
Michelin	322.80	320.80
Moet Hennessy	2905	2849
Moulinex	75.45	76.45
Occidentale	1116	1090
Paribas	441	440.50
Pernod Ric	967	936
Perrier	845	820
Peugeot	1530	1472
Printemps	644	641
Radiotechn	1554	1473
Redoute	2970	2920
Roussel Uclaf	1401	1420
Sanofi	769	735
Saint Gobain	494	479.90
Skis Rossignol	1200	1129
Telemecan	3259	3237
Thomson CSF	1260	1206
Total	441	441

CAC Index: N.A.
Previous: 404.40

Sao Paulo	Aug. 13	
Bradesco	14.50	15.50
Brahma	50	52
Paranapanema	25.41	26
Petrobras	106.50	109
Varig	11.10	11.20

Bovespa Index: 14079
Previous: 14529

Singapore	Close	Prev.
Cerebos	8.40	8.45
Cold Storage	N.Q.	—
DBS	16.40	16.40
Fraser Neave	13.70	13.50
Haw Par	6.20	6.20
Hume	N.Q.	2.94
Inchcape	6.40	6.40
Lum Chang	2.10	2.14
Malayan Banking	8.30	8.45
OCBC	10.90	11.10
OUB	6.15	6.20
OUE	N.Q.	6
Shangri-la	6.55	6.60
Sime Darby	3.66	3.76
S'pore Airlines	14.90	14.90
S'pore Land	8.35	8.40
S'pore Press	10.30	10.20
S Steamship	2.98	2.98
St Trading	5.90	5.85
UOB	8	7.95
United Overseas	3.00	3.02

Straits Times Ind.: 1476.39
Previous: 1482.25

Stockholm	Close	Prev.
AGA	216	212
Alfa Laval	322	322
Asea	435	442
Astra	274	273
Atlas Copco	197	197
Beijer	N.Q.	200
Boliden	328	325
Electrolux	309	305
Ericsson	258	256
Esselte	197	197
Handelsbanken	515	515
Pharmacia	254	247
Norsk Hydro	284	252
Saab-Scania	259	260
Sandvik	206	202
Skanska	322	322
SKF	377	376
SwedishMatch	115	116
Volvo	379	379

Affaersvaerlden Index: 906.40
Previous: 908.70

Sydney	Close	Prev.
ACI	4.48	4.40
ANZ	4.86	4.70
BHP	10.35	10.25
Borat	6.30	6.20
Bougainville	5.12	5.12
Coles Myer	8.18	8.12
Comalco	5.20	5.50
CRA	11.30	11.30
CSR	3.95	3.88
Dunlop	5.56	5.57
Elders Ixl	5.38	5.38
ICI Australia	5.10	5
Magellan	3.85	3.90
MIM	3.53	3.65
Nat Aust Bank	5.50	5.22
News Corp	22.70	22
N Broken Hill	4.25	4.30
Poseidon	7.25	7.16
Qld Coal Trust	1.50	1.67
Santos	7.36	7.40
Thomas Nation	5.78	5.82
Western Mining	9.80	9.90
Westpac Banking	6.04	5.82
Woodside	2.40	2.25

All Ordinaries Index: 2114.50
Previous: 2104.40

Tokyo	Close	Prev.
Akai	587	517
Asahi Chemical	1230	1240
Asahi Glass	2050	2020
Bank of Tokyo	1620	1600
Bridgestone	1210	1245
Canon	1210	1220
Casio	1480	1400
C.Itoh	770	715
Dai Nippon Print	2260	2190
Daiwa House	2370	2410
Daiwa Securities	2970	3000
Fanuc	6540	6470
Fuji Bank	3250	3300
Fuji Photo	4970	4830
Fujitsu	1400	1340
Hitachi	1380	1310
Hitachi Cable	1250	1290
Honda	1740	1660
Japan Air Lines	14400	14200
Kajima	1740	1780
Kansai Power	3050	3120
Kawasaki Steel	384	384
Kirin Brewery	2570	2630
Komatsu	675	655
Kubota	605	610
Kyocera	6420	6470
Matsu Elec Inds	2690	2700
Matsu Elec Works	2380	2410
Mitsubishi Bank	3080	3200
Mitsubishi Chem	1140	1160
Mitsubishi Elec	659	630
Mitsubishi Heavy	605	595
Mitsubishi Corp	1250	1280
Mitsui and Co	796	810
Mitsukoshi	1710	1740
Mitsumi	1330	1330
NEC	2180	2110
NGK Insulators	1030	1010
Nikko Securities	2530	2470
Nippon Kogaku	1200	1230
Nippon Oil	1400	1390
Nippon Steel	341	340
Nippon Yusen	572	572
Nissan	714	705
Nomura Securities	4600	4670
Olympus Optical	1260	1260
Pioneer	3270	3300
Ricoh	1290	1290
Sharp	1320	1310
Shimazu	995	997
Shinetsu Chemical	2220	2250
Sony	5380	5250
Sumitomo Bank	3810	3830
Sumitomo Chem	890	900
Sumitomo Marine	1310	1340
Sumitomo Metal	240	247
Taisei Corp	1030	1070
Taisho Marine	1150	1200
Takeda Chem	3270	3260
TDK	5650	5640
Teijin	880	846
Tokio Marine	2180	2260
Tokyo Elec. Power	6030	6170
Toppan Printing	1690	1600
Toray Ind	770	749
Toshiba	680	670
Toyota	2190	2060
Yamaichi Sec	2540	2500

Nikkei 225: 25494.81
Previous: 25575.74
New Index: 2183.76
Previous: 2115.87

Zurich	Close	Prev.
Adia	13100	13050
Alusuisse	845	825
Bank Leu	4140	4000
Brown Boveri	3150	3050
Ciba Geigy	4015	3990
Credit Suisse	3445	[illegible]
Electrowatt	4025	3950
Interdiscount	6275	6250
Jacob Suchard	10000	9925
Jelmoli	3900	3900
Landis Gyr	1780	1770
Moevenpick	N.Q.	7650
Nestle	10800	10625
Oerlikon-B	1630	1685
Roche Baby	14925	14750
Sandoz	2560	2545
Schindler	6200	6125
Sulzer	695	640
Surveillance	7190	7100
Swissair	1465	1450
SBC	521	518
Swiss Reinsurance	3270	3230
Swiss Volksbank	2400	2390
Union Bank	5170	5070
Winterthur	7000	6980
Zurich Ins	3930	3910

SBC Index: 701.60
Previous: 695.40

N.Q.: not quoted; N.A.: not available; xd: ex-dividend.

Toronto Aug. 13

Canadian stocks via AP

Sales	Stock	High	Low	Close	Chg.
31081	Abti Prce	$36¼	35½	35¾	— ½
34950	Agnico E	$37⅝	36¼	36⅝	—1¼
300	Agra Ind A	$17	17	17	
88539	Alt Energy	$25¼	24⅝	25	+ ½
5100	Alta Nat	$15¼	15	15⅛	— ¼
280	Algoma St	$19⅝	19⅝	19⅝	—
201786	A Barrick	$33½	31½	31¾	— ⅝
142747	Atco I f	$14¼	14	14¼	+ ¼
38091	BCED	375	370	375	+ 5
16576	BP Canada	$27	26¾	27	+ ⅛
73071	Bank BC	67	62	67	+ 3
115464	Bank N S	$18⅝	18⅛	18⅝	
29375	Baton	$13	12⅝	13	
5400	Bralorne	270	260	265	—10
1700	Bramalea	$23⅞	23½	23⅞	— ⅛
100	Brenda M	$15½	15½	15½	— ⅛
97327	BCFP	$25½	25⅛	25⅛	
61885	BC Res	118	115	115	— 2
12030	BC Phone	$28	27⅝	28	+ ⅛
1760	Brunswk	$17¾	17⅝	17⅝	
1000	Budd Can	$39⅝	39⅝	39⅝	
156775	CAE	$11⅛	10⅞	10⅞	— ¼
75900	CCL A	$15½	15⅜	15⅜	— ¼
5750	CCL B f	$15⅛	15	15⅛	+ ⅛
600	Cad Frv	$30⅞	30¾	30⅞	
37185	Cambior	$30⅞	30⅛	30⅛	— ⅝
309622	Campeau f	$27⅞	27⅛	27⅜	+ ⅜
108978	CDC	$15¼	14⅞	15	
21399	C Nor West	$26¼	25½	25¾	+ ¼
3800	C Packrs	$16⅛	15⅞	16	
1815	C Tung	$9½	9	9	— ¼
100	CGE	$22	22	22	
586950	CI Bk Com	$23	22⅝	22⅝	— ⅜
37702	CTire A f	$15⅛	15	15	
4215	C Util B	$20⅝	20½	20⅝	
4900	Cara	$12⅞	12⅝	12⅝	— ⅛
50550	Celanese	$23⅞	23½	23¾	+ ¼
500	Celanese 1 p	$25⅛	25⅛	25⅛	— ⅛
29277	Cntrl Cap	$18	17½	17½	
78500	Cineplex	$18⅛	18	18	— ⅛
8900	C Distb A	485	475	485	+ 5
5300	C Distb B f	475	460	475	+10
350	CTL Bank	315	305	305	—10
300	Conwest A	$15	15	15	
62500	Cosela R	122	115	122	+ 8
500	Conran A	$17⅞	17⅞	17⅞	— ⅛
2900	Crownx	$18⅝	18	18⅝	+ ⅝
19600	Czar Res	220	220	220	— 1
8347	Denison A p	$9⅛	9	9	— ⅛
13035	Denison B f	$9⅛	8⅝	8⅝	— ⅛
3800	Develcon	415	415	415	
27780	Dickngn A f	$13⅞	13⅛	13⅜	— ⅜
1400	Dickngn B	$13⅞	13⅝	13⅝	— ⅜
36045	Dofasco	$29⅞	29½	29⅝	+ ⅜
2000	Donohue	$39	38⅞	39	
30800	Du Pont A	$33⅛	32⅝	32⅝	— ⅜
18850	Dylex A	$15½	15⅛	15⅜	+ ⅛
200	Elcham X	$8⅛	8⅛	8⅛	+ ⅛
544	Emco	$14⅛	14⅛	14⅛	
31298	Encor	$8⅞	8⅝	8⅝	
32000	Equty Svr A	$11⅞	10½	10⅝	— ⅜
2000	FCA Intl	$16	15⅝	15⅝	
427827	Ficnbrdge	$30⅞	29½	30⅝	+ ⅜
16784	Fed Ind A	$18½	18⅛	18⅛	
33850	Fed Pion	$13⅞	13⅛	13⅝	
3900	F City Fin	$20	19⅝	19⅝	— ⅛
3030	Gendis A	$19⅞	19⅝	19⅝	
3900	Geac Comp	260	254	254	— 6
4900	Gibraltar	$12⅛	12⅛	12⅛	
16438	Goldcorp f	$11⅞	11	11	— ¼
300	Goodyear	$62	61½	61½	+ ¼
160	Graft G	$18⅞	17⅝	17⅝	— ⅝
32050	GL Forest	$56¼	54⅝	56	+ 2
3390	Grayhnd	$25⅝	25	25⅝	+ ⅛
2885	Hawker	$29½	29½	29½	— ¼
4500	Hayes D	$12½	12⅛	12⅛	
102860	Hees Intl	$25½	24⅝	25⅛	+ ⅜
127389	Hemlo Gld	$27¼	26	26⅛	— 1
7832	Hollinger f	$11⅞	11⅝	11⅝	— ⅛
1655	H Bay Co	$25½	25	25⅛	+ ⅛
115862	Imasco	$37	36½	36⅝	+ ⅛
10950	Indal	$13⅝	13½	13½	
9445	Inland Gas	$16⅝	16½	16⅝	— ⅛
13250	I Corona 4	$44⅛	43½	43⅝	— ⅛
130865	Intl Thom	$15⅞	15⅛	15⅜	+ ⅛
5425	Inter Pipe	$54⅞	54⅛	54⅝	+ ⅛
2674	Ipsco	$14½	14⅛	14⅛	— ⅛
11867	Ivaco A f	$17⅛	17	17	— ⅛
3900	Ivaco B	$18	18	18	+ ⅛
44266	Jannock	$22⅛	22	22⅛	+ ⅛
500	Kelsey H	$18½	18	18	— ½
1670	Kerr Add	$29⅛	29	29	
88644	Labatt	$29⅞	29⅜	29⅝	+ ¼
22330	Lacana	$22	21⅞	22	
18600	Lablaw Co	$16⅛	16	16⅛	+ ⅛
5200	Lumonics	$18½	18⅛	18⅛	+ ⅛
22850	Magna A f	$23⅞	23½	23⅞	— ⅛
900	MDS H A	$25⅜	25⅜	25⅜	+ ⅛
1300	MICC	$17⅝	17½	17½	— ⅛
26900	Mclan H X	$24⅝	24⅛	24⅛	—
6377	Maritime f	$16⅝	16⅝	16⅝	+ ⅛
29190	Mark Res	$14	13⅞	14	+ ⅛
9975	Minnova	$30⅛	30	30⅛	+ ⅛
38130	Molson A f	$26⅞	26⅝	26⅝	—
408	Molson B	$26½	26½	26½	— ⅛
242	Nabisco L	$39¼	39⅛	39⅛	— ⅛
158637	Noranda f	$37⅝	37½	37⅝	+ ⅛
15363	Norcen	$26⅝	26	26⅛	+ ⅜
541778	Nva AltA f	$10⅝	10¼	10⅜	+ ⅛
13075	Nowsco W	$23⅝	23¼	23⅜	— ⅛
407848	NuWst sp A	51	47	50	+ 3
6200	Oakwood	375	370	370	— 5
61209	Oshawa A f	$21½	21	21⅛	+ ⅛
59500	Pac W Airls	$24⅛	24⅛	24⅛	+ ⅛
79500	Pamour	$15⅛	15⅛	15⅛	— ⅛
2180	PanCan P	$34	33⅝	33⅝	— ⅛
878	Pine Point	$37⅛	37	37⅛	— ⅛
414588	Placer Dm	$26⅛	25⅝	25⅝	— ⅜
11125	Que Sturg a	$7⅝	7⅝	7⅝	
10000	Rayrock f	$13⅞	13⅝	13⅞	+ ⅛
6600	Redpath	$12⅝	12½	12½	+ ⅛
1052	ReedSt f Sp	$35	34⅞	34⅞	— 1
400	Rogers A	$26⅛	26⅛	26⅛	— ⅛
13936	Rogers B f	$25⅞	24⅞	25⅛	+ ⅛
900	Roman	$18⅛	18⅛	18⅛	
8200	Rothmans	$50	49	49½	+ ½
101760	RyTrco A	$17⅞	17⅛	17⅛	— ⅛
27537	Royex	$6⅛	6	6	— ⅛
39500	Scotts f	$13½	13⅛	13⅜	+ ⅛
366724	Sears Can	$12⅛	11⅞	11⅞	+ ⅛
2732	SHL Systm	$29⅞	28⅜	29⅜	— ⅛
1350	Selkirk A f	$24⅛	24	24⅛	+ ⅛
63139	Shell Can	$52⅛	51⅝	52⅛	+ ⅛
13500	Sherritt	$6⅝	6⅛	6⅛	— ⅛
4800	Slater B f	$8⅞	8	8⅛	— ⅛
25241	Southam	$26⅛	25⅛	25⅞	
6722	Spar Aero f	$19⅞	19½	19½	+ ⅛
69471	Stelco A	$28⅝	27⅝	28⅛	+ 1
2600	Teck Cor A	$35⅛	34⅝	34⅞	— ⅛
48484	Teck B f	$36½	35⅝	35⅝	— ⅝
11165	Tex Can	$40⅝	40⅛	40⅝	+ ⅜
18805	Thom N A	$34	33⅝	33⅝	— ⅜
129810	Tor Dm Bk	$31⅝	31⅛	31⅛	
3918	Torstar B f	$25⅜	25⅛	25⅛	
1103	Traders A f	$73	73	73	+ ⅛
275	Trns Mt	$16⅝	16⅛	16⅛	+ ⅛
552287	TrnAlta UA	$28⅝	28⅛	28⅛	— ⅛
129114	TrCan PL	$18⅝	18½	18⅝	+ ⅛
48573	Trimac	$6	5⅞	6	+ ⅛
37473	Trilon A	$21½	20⅞	21½	+ ⅜
28047	Trizec A f	$31⅞	31½	31⅝	— ⅛
130400	Turbo	93	91	92	+ 1
52350	Unicorp A f	$9⅜	8⅞	8⅞	— ⅛
850	Un Carbid	$18⅛	18	18	
35314	U Enterise	$11	11	11	+ ⅛
1150	U Keno	$16⅛	16⅛	16⅛	+ ⅛
60	VGM Cap	$6⅛	6⅛	6⅛	+ ⅛
800	Wardair	$28⅛	26½	26½	— 2
2600	Weldwod	$19½	19	19⅛	+ ⅛
4270	Westmin	$14	13⅞	13⅞	— ⅛
1545	Weston	$44	43⅞	44	+ ⅛
12560	Woodwd A	$7	6⅞	6⅞	+ ⅛
	Total sales	33,065,055 shares			

	Close	Previous
TSE 300 Index:	4,112.90	4,105.08

Montreal Aug. 13

Sales	Stock	High	Low	Close	Chg.
48845	Bank Mont	$34⅝	34¼	34½	+ ⅛
12900	BombrdrA	$13	12⅞	12⅞	+ ⅛
382715	BombrdrB	$13⅛	11⅞	12½	+ ⅝
7350	CB Pak	$20	19½	20	+ 1
34780	Cascades	$11½	11	11⅛	+ ⅛
21011	CanBath	$20½	20⅛	20⅛	— ⅛
7528	DomTxtA	$20⅞	20⅛	20⅜	+ ⅛
19300	MntTrst	$16⅝	16⅛	16⅜	+ ⅛
66374	NatBk Cda	$14⅛	14	14⅛	+ ⅛
14481	Noverco	$12⅞	12⅛	12⅛	— ⅛
111335	Power Corp	$18⅝	18⅛	18⅛	— ⅛
36310	Provigo	$12⅝	12⅛	12½	
31740	Repap Entr	$17⅛	17⅛	17⅛	
1500	RollandA	$15	15	15	— ⅛
30026	Royal Bank	$36½	36⅛	36⅛	— ⅛
2450	SteinbrgA	$39⅝	39⅛	39⅛	— ⅛
8000	Videotron	$14⅝	14⅛	14⅛	+ ⅛
	Total Sales 8,907,906 shares.				

	Close	Previous
Industrials Index:	1,493.58	1,492.22

SPORTS

The Battling Yankees: Nary a Good Word Yet From the Man at the Top

By Michael Martinez
New York Times Service

NEW YORK — Lou Piniella's job appears safe — at least for Friday — but George Steinbrenner, who will ultimately decide the fate of the embattled Yankee manager, is offering neither a guarantee nor a prediction of the immediate future.

"I can't tell you what's going to happen because I don't know what will happen myself," Steinbrenner, the team's owner, said by telephone Thursday from Saratoga Springs, New York. "But I will say this: I don't like losing, and I won't let my team fall out of it."

Steinbrenner refused to address the conditions under which he might dismiss Piniella, but if the team slips too far back — perhaps by as few as four games — the owner would probably move swiftly toward a change.

Piniella and the Yankees returned home early Thursday from a trip in which they lost eight of 10 games and fell from first place to third in the American League East, two and a half games behind the Toronto Blue Jays. But of equal concern was the status of Piniella, who upset Steinbrenner during the trip.

While refusing to specify Piniella's future for the remainder of the season, Steinbrenner conceded that he probably made a mistake by not forcing him to manage in the minors. He also said that Piniella, who retired as an active player after the 1984 season, was too close to his players.

"If I made a mistake," Steinbrenner said, "it was in not demanding that he manage in the minors. I may have done him a great disservice because of that, and maybe it's my fault. But if you're going to be the boss of a team, you cannot be one of the boys. You've got to do what needs to be done to win."

The Yankees began a three-game series Friday against Cleveland, but their stay at home will be brief. Tuesday, they start another trip, with stops in Seattle, Oakland and Anaheim, California, cities where they have met occasional trouble.

Their last trip was a disaster. They lost two of three to Cleveland, three of four to Detroit and were swept by Kansas City, stretching their losing streak to four games. In the midst of it all, they watched their owner and their manager conduct a public battle that has festered for more than a week.

Steinbrenner has still not forgiven nor forgotten. He said Thursday that he remained "disappointed, but not angry" at Piniella for failing to be in his Cleveland hotel room to receive a phone call about a player move.

He said he was still waiting to hear the manager's explanation for his failure either to take the call or to return two messages from the owner.

Team sources said the owner had sent word to Piniella, in the form of a letter, that he was waiting for an apology and a reasonable explanation.

Asked whether he were willing to resume speaking with Piniella, Steinbrenner said: "Sure, but I'm not reaching out to call him. To this day, I have not heard one word from Lou Piniella. I'm still waiting for an explanation, but I haven't heard so much as a peep.

"I am more disappointed than angry. He says he's hurt. Well, I'm more hurt."

But Steinbrenner said his feelings over the incident would not be the reason he dismissed Piniella, if that is the course he eventually takes.

"If I were going to do it as punishment," he said, "I would have done it a month ago."

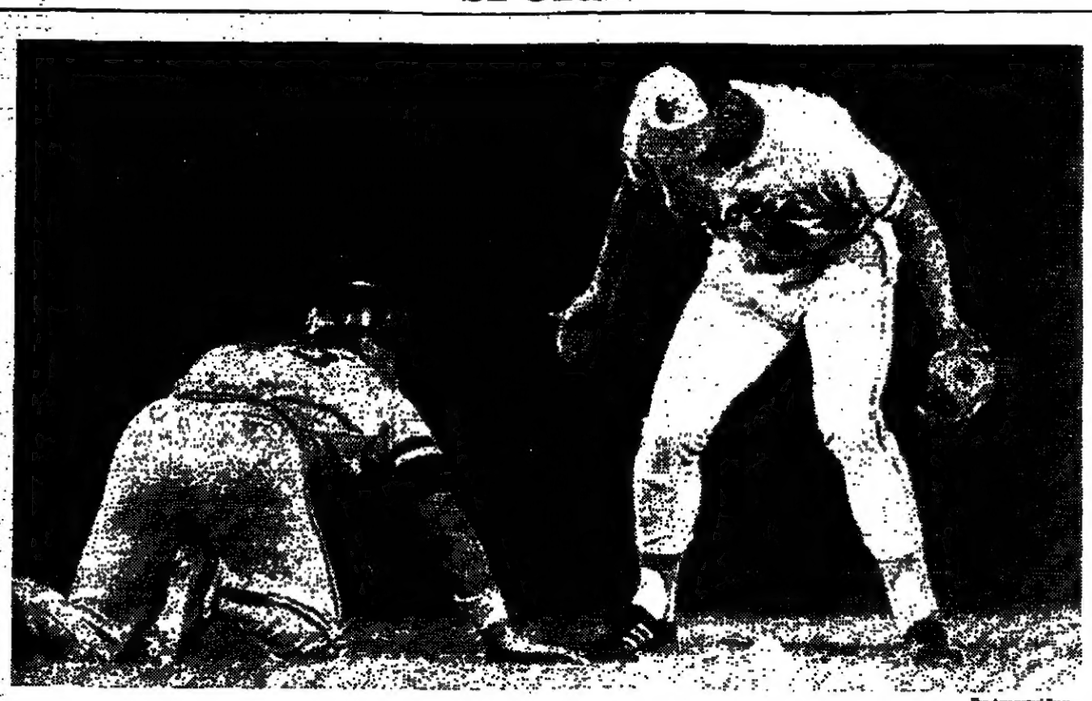
Steinbrenner also remains clearly perturbed over players' actions after his long statement last Saturday in Cleveland in which he said Piniella had called Mark Salas a "bum" and had charged that Rickey Henderson was faking an injury.

Several players burned a copy of the statement, and Don Mattingly, after reading that the owner intended to step back from the daily operation of the team, said, "We like that."

"When they said that, it was like throwing down the gauntlet," Steinbrenner said. "To tell the owner to butt out? The guy who signs their paychecks? O.K., I say put your money where your mouth is. Prove it. Instead, they go out and blow four straight games."

Steinbrenner said he did not believe injuries were a legitimate excuse.

"Don't put it on injuries," he said. "We're just not playing like a baseball team. We're not playing well. Injuries have hurt, but you've got to be able to play with them. You've got to bear up."



The Associated Press

NOW YOU SEE IT — The Brewers' Rob Deer steals second as Cal Ripken Jr. of the Orioles loses a throw from the plate.

VANTAGE POINT/George Vecsey

Lewis: A Hit Single, but No World Record

New York Times Service

INDIANAPOLIS — He was going to be as big as Michael Jackson, according to his manager, but the boos in the Coliseum on that gold-medal night in 1984 squashed that goal faster than you could say "Victory Tour."

To be sure, Carl Lewis sold 500,000 copies of his single record, "Break It Up," in Europe this year, but to most Americans he is merely the last two words of the question, "What ever became of . . . ?"

Only those persistent souls who follow the bouncing decimal points of track and field know that Carl Lewis is still just about as big as Carl Lewis, which is no small matter.

He materialized Thursday in Indianapolis in a slightly fluffy cream-colored long-sleeved shirt, khaki pants and a wide leather belt with an animal's tooth hanging from the belt for decoration — a three-piece suit for Carl Lewis.

He has not been going out of his way to give interviews since 1984, when much of the American press made a very big thing about his taking only two long jumps on the night he won his gold medal, and waving a flag that seemed to fly into his hands much too conveniently, and posing for copyrighted photographs with a gold medal in his hand before he won anything.

"I think we've all matured," Lewis said Thursday. "I know I went out to the Olympics to achieve gold medals and other people went to achieve stories. Everyone lives their lives. I don't feel anyone's out to get anyone."

Lewis, who will compete in the long jump and the 400-meter relay on Sunday afternoon, is 26 and has been a world-class competitor for nearly 10 years, with no end in sight. He is unbeaten in his last 50 long-jump competitions.

He talked Thursday about competing a year or two beyond the Games in Seoul, South Korea, next year. Not too many sprinters and leapers manage to keep their hamstrings limber in three different decades.

With the help of some arthroscopic surgery on his knee last summer, Lewis has survived long enough to charm away some of the bad raps and talk about trying for the gold in the 1,600-meter relay in Seoul, too.

That would be on top of his long jump, 100- and 200-meter sprints and 400-meter relay gold medals in 1984, tying him with Jesse Owens for the most golds by one track and field athlete.

His first full album remains unmixed in the studio while Lewis prepares for Sunday and the world championships in Rome at the end of the month. All that is missing is a world record.

His best event is the long jump, which happens to have one of the most spectacular records in all of sports, the 29 feet, 2½ inches Bob Beamon jumped in the rarified air of Mexico City in 1968.

Lewis has jumped 28-10¼, and as far as he is concerned, he jumped 30 feet one day in Indianapolis in 1982, but a judge insisted he had seen Lewis's toe extend past the foul line, even though no spike mark or scuff could be found.

He passed up four chances to go for the record that night in August 1984. He had the gold medal with his first jump of 28-¼ and fouled on his second, so he pulled on his warm-ups and watched the others fall short, while he saved himself for his fourth gold medal, in the 200.

Fans who had paid as much as $50 to watch Lewis jump for the footsteps of Bob Beamon booed from the stands, costing Lewis considerable money and considerable reputation.

"People in the stands said they didn't get their money's worth, and I could understand that," Lewis said, "but I didn't take the extra jumps because my legs were healthy."

His letdown in 1985 was understandable, and he injured his knee last year, but he said his attitude is better now, despite the death of his father this spring. An athlete and coach, Bill Lewis had been a rock for his three sons and one daughter.

"Since last November and December, most of the time I didn't even talk about it," he said. "Carol has had a very difficult time recovering. I am using everything as an inspiration. But it has been difficult. It has been difficult."

He said his body and his psyche were fine as he prepared to give Beamon another challenge.

And who knows? Given Carl Lewis's perseverance, the time is coming when Michael Jackson, wherever he is, just might daydream of being the next Carl Lewis.

Tigers Down Royals As Morris Finds Control of Pitches

Compiled by Our Staff From Dispatches

KANSAS CITY, Missouri — The Kansas City Royals didn't have much of a chance to extend their four-game winning streak once Jack Morris found out he was in control of all of his pitches.

"I just felt like if I kept throwing good I would win," Morris said after he pitched a five-hitter and struck out 11 as the Detroit Tigers beat the Royals, 4-1, Thursday night.

"It's the first time in a long time that I've thrown all four of my pitches and had a pretty good idea of where they were going," he said. "It was just a good night for me."

Morris, who walked only one, retired 16 consecutive batters from the second to the seventh inning. He gave up a solo homer to Jim Eisenreich in the eighth, then retired the Royals in order in the ninth to pull the Tigers within a half-game of first place Toronto in the American League East.

"He'll win a lot the rest of this year," the Tigers' manager, Sparky Anderson, said of Morris. "Watch his numbers the rest of the year. You'll be impressed."

Anderson said pulling close to the Blue Jays means little because the two teams play seven times in the last 11 games, including a season-ending three-game series at Tiger Stadium.

"We've got seven games with them," Anderson said. "So either one of us is going to be ahead of the other a little here and there, and both will have a shot. No matter what happens here, it's going to come down to that."

Pat Sheridan, who had three hits, including an RBI triple, said the Tigers had focused recently on the New York Yankees, whom Detroit beat in three out of four games last weekend. Now that the Tigers have completed the season series with New York, the focus is changing to Toronto.

"Everybody has been talking about the Yankees, but I've felt all along it could come down to that last week between us and Toronto," Sheridan said.

Angels 5, Twins 1: In Minneapolis, Mike Witt collected his 14th victory and Dick Schofield went 3 for 4, carrying California. The Twins stranded 10 baserunners in the first six innings.

White Sox 10, Blue Jays 3: In Toronto, Donnie Hill came off the disabled list and smacked a three-run homer, and Fred Manrique and Gary Redus added home runs to power Chicago. Floyd Bannister pitched a six-hitter for Chicago. Phil Niekro, who came to Toronto from Cleveland Sunday, was the loser.

Orioles 5, Brewers 4: In Baltimore, Fred Lynn hit his seventh career grand slam and Mike Young added a solo home run to lift the Orioles. Milwaukee's Paul Molitor extended his major-league high hitting streak to 28 games by homering with two out in the ninth.

Cubs 7, Mets 5: In the National League, in Chicago, Jody Davis's two-run single off the glove of right fielder Darryl Strawberry snapped an eighth-inning tie and gave the Cubs a come-from-behind victory over New York.

Phillies 4, Cardinals 2: In St. Louis, Missouri, Rick Schu doubled home two runs with two out in the 13th to lift Philadelphia to its fifth consecutive victory. The Cardinals outfield did not have a put-out in 13 innings, a major-league record.

Expos 9, Pirates 7: In Montreal, Dave Engle singled home the winning run against Pittsburgh in the seventh inning and Tim Wallach drove in five runs to take the National League lead in RBI with 99. Montreal's Tim Raines stole two bases to give him 500 career steals.

Giants 7, Astros 6: In San Francisco, Robby Thompson scored on a error by Houston shortstop Buddy Biancalana with two out in the 11th to give the Giants the victory and keep them in a tie with Cincinnati atop the NL West.

Reds 5, Dodgers 2: In Los Angeles, pinch hitter Tracy Jones singled home two runs to highlight Cincinnati's five-run eighth inning. The Reds, who had lost six of the first seven games of an 11-game road trip, trailed 2-0 entering the eighth.

Padres 5, Braves 3: In San Diego, Chris Brown hit a three-run double to tie the score 3-3 and then scored the go-ahead run on Garry Templeton's double to highlight a five-run sixth inning against Atlanta.

(AP, UPI)

BASEBALL ROUNDUP

Day Game Set For World Series

Washington Post Service

WASHINGTON — In a return to tradition, a World Series game is scheduled to be played during the day in the fall classic, Baseball Commissioner Peter Ueberroth announced Thursday.

If Game 6 of the Series is necessary, it will start at 4 P.M., Eastern daylight time, on Saturday, Oct. 24, in the American League city, Ueberroth said. In the previous two seasons, the World Series was played entirely at night to accommodate television.

The 84th World Series is scheduled to begin in the American League city, with Games 1 and 2 set for Oct. 17 and Oct. 18. Games 3, 4 and 5 are scheduled for Oct. 20-21-22 in the National League city. Game 7, if necessary, is set for Sunday, Oct. 25, in the AL city.

SCOREBOARD

Baseball

Major League Statistical Leaders

AMERICAN LEAGUE

	G	AB	R	H	Pct.
Boggs Bos	111	421	84	155	.368
Seitzer KC	113	459	71	149	.331
Trammell Det	102	408	72	135	.331
Mattingly NY	95	377	67	123	.326
DwEvans Bos	107	383	76	125	.325
Puckett Min	112	447	72	143	.320
ADavis Sea	113	405	62	129	.319
Fernndz Tor	112	450	71	142	.316
Franco Cle	90	349	60	110	.315
Tabler Cle	109	422	55	133	.315

Runs: Boggs, Boston, 84; GBell, Toronto, 82; Whitaker, Detroit, 81; DWhite, California, 80; Browning, California, 79.

RBIs: GBell, Toronto, 99; DwEvans, Boston, 91; McGwire, Oakland, 88; Joyner, California, 86; Sierra, Texas, 82.

Hits: Boggs, Boston, 155; Seitzer, Kansas City, 149; Puckett, Minnesota, 143; Fernandez, Toronto, 142; GBell, Toronto, 136; Yount, Milwaukee, 136.

Doubles: DwEvans, Boston, 32; Boggs, Boston, 30; Tabler, Cleveland, 30; Sierra, Texas, 29; ADavis, Seattle, 28; Mattingly, New York, 28.

Triples: Wilson, Kansas City, 12; PBradley, Seattle, 10; Fernandez, Toronto, 7; Polonia, Oakland, 7; Yount, Milwaukee, 7.

Home Runs: McGwire, Oakland, 38; GBell, Toronto, 36; Hrbek, Minnesota, 28; Snyder, Cleveland, 28; Murray, Baltimore, 27.

Stolen Bases: Reding, Chicago, 38; Reynolds, Seattle, 38; Wilson, Kansas City, 34; Fernandez, Toronto, 31; Molitor, Milwaukee, 28.

PITCHING (9 decisions)

Won-Lost/Winning Pct./ERA: Hanneman, Detroit, 8-1, .889, 2.19; Cerutti, Toronto, 9-2, .800, 4.23; Schmidt, Baltimore, 10-3, .769, 3.34; Guetterman, Seattle, 9-3, .750, 4.19; John, New York, 11-4, .733, 3.88.

Strikeouts: Langston, Seattle, 188; Higuera, Milwaukee, 170; Clemens, Boston, 158; Stewart, Oakland, 148; Hurst, Boston, 145.

Saves: Henke, Toronto, 25; Reardon, Minnesota, 23; Plesac, Milwaukee, 21; Righetti, New York, 21; JHowell, Oakland, 15; Mahorcic, Texas, 15.

NATIONAL LEAGUE

	G	AB	R	H	Pct.
Gwynn SD	112	434	90	156	.360
Guerrero LA	108	396	67	132	.333
Galarraga Mon	102	376	53	125	.333
Raines Mon	91	348	82	115	.330
MThomas Phi	103	373	72	118	.316
WClark SF	106	385	63	120	.312
Sandberg Chi	88	354	56	110	.311
EDavis Cin	101	373	99	115	.308
Pndltn StL	113	426	69	131	.308
Hayes Phi	110	381	45	114	.304

Runs: EDavis, Cincinnati, 99; Gwynn, San Diego, 90; Coleman, St.Louis, 86; Samuel, Philadelphia, 86; Raines, Montreal, 82.

RBIs: Wallach, Montreal, 99; Dawson, Chicago, 98; JClark, St.Louis, 94; EDavis, Cincinnati, 88; McGee, St.Louis, 81.

Hits: Gwynn, San Diego, 156; Guerrero, Los Angeles, 132; McGee, St.Louis, 132; Pendleton, St.Louis, 131; OSmith, St.Louis, 127; Wallach, Montreal, 127.

Doubles: Wallach, Montreal, 33; Galarraga, Montreal, 32; Hayes, Philadelphia, 29; Leonard, San Francisco, 29; Gwynn, San Diego, 28.

Triples: Gwynn, San Diego, 10; Samuel, Philadelphia, 10; MThomas, Philadelphia, 9; Bonds, Pittsburgh, 8; Coleman, St.Louis, 7.

Home Runs: Dawson, Chicago, 35; EDavis, Cincinnati, 33; DMurphy, Atlanta, 32; JClark, St.Louis, 30; Strawberry, New York, 28.

Stolen Bases: Coleman, St.Louis, 75; EDavis, Cincinnati, 42; Hatcher, Houston, 41; Gwynn, San Diego, 39; Raines, Montreal, 38.

PITCHING (9 decisions)

Won-Lost/Winning Pct./ERA: Leach, New York, 10-0, 1.000, 2.80; Parsch, St.Louis, 10-3, .769, 3.99; Heaton, Montreal, 13-4, .750, 4.27; Sutcliffe, Chicago, 15-5, .750, 3.67; Rawley, Philadelphia, 14-5, .737, 3.98.

Strikeouts: Ryan, Houston, 181; Scott, Houston, 151; Hershiser, Los Angeles, 143; Welch, Los Angeles, 141; Darling, New York, 129; Sutcliffe, Chicago, 129.

Saves: Bedrosian, Philadelphia, 31; LeSmith, Chicago, 29; Worrell, St.Louis, 24; Franco, Cincinnati, 21; DSmith, Houston, 19.

Thursday's Major League Line Scores

AMERICAN LEAGUE

California 101 200 100—5 11 1
Minnesota 001 000 000—1 9 0
Witt, Boice (9) and Boone; Carlton, Frazier (8), Reardon (9) and Laudner. W—Witt, 14-8. L—Carlton, 6-11. HR—California, DeCinces (13).

Milwaukee 000 002 011—4 4 0
Baltimore 000 401 00x—5 10 1
Bosio, Clear (8) and Surhoff; Boddicker, Niedenfuer (8) and Kennedy. W—Boddicker, 8-6. L—Bosio, 7-3. Sv—Niedenfuer (8). HRs—Milwaukee, Molitor (10). Baltimore, Lynn (17), Young (13).

Chicago 000 003 070—10 10 0
Toronto 000 100 101— 3 6 1
Bannister and Hassey, Fisk (7); Niekro, Eichhorn (6), Musselman (8), Henke (8), Lavelle (9) and Moore. W—Bannister, 8-9. L—Niekro, 7-12. HRs—Chicago, Hill (5), Manrique (3), Redus (8). Toronto, Beniquez (6), Bell (26).

Detroit 101 002 000—4 7 0
Kansas City 000 000 010—1 5 0
Morris and Nokes; Gubicza, Davis (6), Gleaton (9) and Quirk. W—Morris, 13-6. L—Gubicza, 9-12. HR—Kansas City, Eisenreich (4).

NATIONAL LEAGUE

Atlanta 012 000 000—3 8 0
San Diego 000 000 020—2 8 0
Palmer, Dedman (4) and Virgil; Grant, Comstock (7), McCullers (8) and Santiago. W—Grant, 3-6. L—Palmer, 6-10. Sv—McCullers (12).

Cincinnati 000 000 020—2 12 0
Los Angeles 000 002 000—2 7 0
Browning, Murphy (7), Franco (8) and McGriff. Diaz (8); Hershiser, Young (8), Howell (9) and Scioscia. W—Murphy, 6-3. L—Hershiser, 12-11. Sv—Franco (21). HRs—Cincinnati, Daniels (18). Los Angeles, Duncan (6).

New York 230 000 000—5 11 1
Chicago 003 020 02x—7 11 0
Gooden, Sisk (6), McDowell (8), Myers (8) and Carter; Mason, Lancaster (1), Butler (6), Pico (8), Smith (9) and Davis. W—DiPino, 2-2. L—McDowell, 7-4. Sv—Smith (29). HRs—New York, Teufel (9). Chicago, Martinez (7).

Houston 000 110 101 00—4 8 3
San Francisco 003 000 200 01—7 8 0
Ryan, Agosto (7), Andersen (7), Childress (9) and Ashby; Krukow, Robinson (7), Garrelts (8), Lefferts (9) and Brenly. W—Lefferts, 3-4. L—Childress, 0-1. HRs—Houston, C. Reynolds (4), Hatcher (9). G. Davis (19). San Francisco, Mitchell (15).

Pittsburgh 000 000 101—2 11 2
Montreal 103 100 22x—9 9 0
Drabek, Gideon (7), Smiley (7), Galt (8) and LaVallere; Smith, McGaffigan (7), Burke (8), McClure (9) and Fitzgerald, Reed (8). W—McGaffigan, 3-2. L—Gideon, 1-3. Sv—McClure (2). HRs—Pittsburgh, Bonds (17). Montreal, Wallach (18), Raines (16).

Philadelphia 100 100 000 000 2—4 10 1
St. Louis 100 010 000 000 0—2 4 0
Corman, Tekulve (10), Calhoun (10), Bedrosian (11), Ritchie (13) and Parrish; Cox, Worrell (9), Dayley (10), Horton (13) and Pena. W—Bedrosian, 4-2. L—Dayley, 7-3. Sv—Ritchie (2). HR—Philadelphia, Thompson (7).

Major League Standings

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
Toronto	68	47	.591	—
Detroit	66	46	.589	½
New York	66	49	.574	2
Milwaukee	59	55	.518	8½
Boston	53	60	.469	14
Baltimore	52	63	.452	16
Cleveland	43	71	.377	24½
West Division				
Minnesota	62	54	.534	—
California	59	56	.513	3½
Kansas City	57	57	.500	4
Oakland	57	57	.500	4
Seattle	56	58	.491	5
Texas	54	58	.482	6
Chicago	46	67	.407	14½

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
St. Louis	69	45	.605	—
New York	65	50	.565	4½
Montreal	63	51	.553	6
Philadelphia	59	55	.518	10
Chicago	58	57	.504	11½
Pittsburgh	51	64	.443	18½
West Division				
Cincinnati	60	56	.517	—
San Francisco	60	56	.517	—
Houston	55	59	.482	4
Los Angeles	51	63	.447	8
Atlanta	50	64	.439	9
San Diego	47	68	.409	12½

Pan American Games

Gold Medalists

(At Indianapolis)

CYCLING
Men's Individual Pursuit: Gabriel Curuchet, Argentina.

EQUESTRIAN
Individual Dressage: Christian Boylad, Canada

FENCING
Individual Saber: Jean Paul Banos, Canada

GYMNASTICS
United States

ROLLER SKATING
Men's Marathon, 20 kms: Jose Luis Lozano, Argentina

SHOOTING
Running Game Target: Mike English, U.S.
Air Pistol, 10 meters: Don Nygord, U.S.
Team Air Pistol: United States (Greg Apleton, Erich Bullung, Donald Nygord)

TABLE TENNIS
Mixed Doubles: Khoa Nguyen and Insook Bhushan, U.S.

SWIMMING
Men
200 Meter Breaststroke: Jeff Kubiak, U.S.
400 Freestyle: Paul Robinson, U.S.
400 Freestyle Relay: United States (Scott McCaddam, Scott Brackett, Paul Robinson, Todd Dudley)
Women
100 Breaststroke: Kettie Dueson, Canada
100 Butterfly: Janet Jorgensen, U.S.

TRACK & FIELD
Men
Decathlon: Mike Gonzales, U.S.
5,000: Arturo Barrios, Mexico
400: Raymond Pierre, U.S.
Women
Long Jump: Jackie Joyner-Kersee, U.S.
High Jump: Colleen Sommer, U.S.
400: Ana Quirot, Cuba
10,000: Marty Cooksey, U.S.

WEIGHTLIFTING
242½: Saelich, David Balduc, Canada; Clean & Jerk, David Balduc, Canada; Overall, David Balduc, Canada
Over 242½: Saelich, Mario Martinez, U.S.; Clean & Jerk, Mario Martinez, U.S.; Overall, Mario Martinez, U.S.

Transition

BASEBALL
American League

BALTIMORE—Placed Ken Gerhart, outfielder, on the 21-day disabled list. Recalled Mike Hart, outfielder, from Rochester of the International League.

CHICAGO—Activated Donnie Hill, infielder. Sent Tim Hulett, third baseman, to Hawaii of the Pacific Coast League.

MILWAUKEE—Placed Bill Wegman, pitcher, on the 15-day disabled list. Recalled Len Barker, pitcher, from Denver of the American Association.

SEATTLE—Called up Mike Brown, pitcher, from Calgary of the Pacific Coast League.

TEXAS—Placed Dale Mohorcic, pitcher, on the 15-day disabled list. Called up Mike Loynd, pitcher, from Oklahoma City of the American Association.

National League

CHICAGO—Placed Bob Tewksbury, pitcher, on the 15-day disabled list. Recalled Drew Hall, pitcher, from Iowa of the American Association. Assigned Dickie Noles, pitcher, and Shawon Dunston, shortstop, to Iowa for injury rehabilitation.

LOS ANGELES—Placed Dave Anderson and Jeff Hamilton, infielders, on the 15-day disabled list. Purchased the contract of Chris Gwynn, outfielder, from Albuquerque of the Pacific Coast League. Recalled Craig Shipley, shortstop, from San Antonio of the Texas League. Transferred Brad Wellman, infielder, from the 15-to the 30-day disabled list; Brad Havens, pitcher, from the 15-to the 21-day disabled list, and Len Matuszek, infielder-outfielder, from the 21-to the 60-day disabled list.

NEW YORK—Recalled David Cone, pitcher, from Tidewater of the International League. Sent Don Schulze, pitcher, outright to Tidewater.

BASKETBALL
National Basketball Association

GOLDEN STATE—Released waivers on Clinton Smith, guard.

INDIANA—Announced the retirement of Clark Kellogg, forward.

FOOTBALL
Canadian Football League

CALGARY—Added Bob Leblanc, linebacker, to the practice roster.

EDMONTON—Released Lloyd Mumphrey, defensive tackle, from the practice roster.

HAMILTON—Activated Tony Champion, wide receiver; Lee Knight, slotback, and John Lewis, defensive lineman, from the practice roster. Reactivated Less Browne, cornerback; Rocky DiPietro, slotback, and Ken Zachary, running back, from the reserve list. Placed Wayne Lee, slotback; Mitchell Price, defensive end, and Lance Shields, defensive back on the reserve list. Released Steve Jackson, slotback, and Anthony Ketchum and Joe Thomas, wide receivers. Added Ketchum to the practice roster. Released Dave Graff, fullback, and Marcellus Greene, cornerback.

WINNIPEG—Reactivated Randy Fabi, slotback, and Bennie Thompson, defensive back, from the reserve list. Placed Jeff Traflin, defensive back, on the reserve list.

National Football League

ATLANTA—Traded Keith Williams, wide receiver-running back, to Tampa Bay for an undisclosed 1988 draft choice. Signed Jessie Tuggle, linebacker.

CLEVELAND—Released Harry Holt, tight end.

DETROIT—Agreed to terms with Eric Williams, nose tackle, on a two-year contract.

L.A. RAIDERS—Signed Don Mosebar, offensive lineman, to a four-year contract. Signed Shelby Jordan, offensive lineman.

MIAMI—Signed Dan Strock, quarterback. Announced that Larry Lee, offensive lineman, has quit.

PHILADELPHIA—Signed Terry Hoage, safety, and Steve Bird, wide receiver, to one-year contracts, and Ron Johnson, wide receiver, to a two-year contract. Acquired Don Morgan, guard. Waived Tom Strauthers, defensive end, and Scott Luppell, offensive lineman.

SEATTLE—Signed Fredd Young, linebacker, to a series of one-year contracts.

HOCKEY
Canada Cup

TEAM U.S.A.—Dropped Craig Ludwig, Al Iafrate and Mark Howe, defensemen, from the roster for failure to report.

National Hockey League

BUFFALO—Signed Phil Housley, defenseman, to a multi-year contract.

DETROIT—Signed Mark Kumpel, right wing, and Mark Lamb, center, to two-year contracts.

LOS ANGELES—Signed Bryan Erickson, Dave Williams, Lyle Phair and Todd Hoover, forwards; Dean Kennedy and Wayne McBean, defensemen; Glenn Healy, goaltender, and Shannon Deegan, center.

MINNESOTA—Signed Kari Takko, goaltender, to a multiyear contract. Signed Mitch Messier, right wing; Dave Archibald, Rick Bott and Ken Hodge, centers, and Shawn Chambers and Scott McCrady, defensemen. Named John Marks coach of the Kalamazoo farm team in the International Hockey League.

N.Y. RANGERS—Announced that Barry Beck, defenseman, has agreed to contract terms. Signed Peter Laviolette, defenseman.

PITTSBURGH—Signed Dan Frawley, right wing, and Randy Hillier, defenseman, to multiyear contracts.

Football

CFL Standings

EASTERN DIVISION

	W	L	T	PF	PA	Pts
Winnipeg	5	1	0	206	154	10
Toronto	4	3	1	224	211	9
Hamilton	3	3	0	181	177	6
Ottawa	3	4	0	156	197	4
WESTERN DIVISION						
Brit Clmb	5	2	0	203	109	10
Edmonton	4	3	0	238	194	8
Calgary	2	6	0	164	277	4
Saskatchwn	1	4	1	142	195	3

Thursday's Result
British Columbia 38, Toronto 22

NFL Preseason

EXHIBITION RESULTS
Kansas City 32, Houston 20
L.A. Rams 23, Seattle 14

Mark Duncan/The Associated Press

High and Long

In a meet that she almost chose not to attend, Jackie Joyner-Kersee tied the world long jump record of 24 feet, 5½ inches Thursday night at the Pan American Games in Indianapolis. Joyner-Kersee, 25, reached the record she shares with East Germany's Heike Drechsler on her sixth and final jump.

SPORTS BRIEFS

Wharton Sets 400-Meter Medley Mark

BRISBANE, Australia (Reuters) — Dave Wharton of the United States broke the world record in the 400-meter individual medley Friday at the Pan Pacific Swimming championships here.

Wharton, 18, powered away from Alex Baumann of Canada and Rob Woodhouse of Australia, to clock 4 minutes, 16.12 seconds, bettering Baumann's mark of 4:17.41, set at the Los Angeles Olympics in 1984. Wharton led from the gun and was just behind his target for Baumann's world mark as he entered the final freestyle leg.

Woodhouse was second in 4:18.05, and Baumann third, in 4:18.46. Baumann, who swam over to congratulate Wharton, said later, "He's going to be the one to beat in '88."

Blind Sailor Weathers Storm at Sea

ST. GEORGE'S, Bermuda (UPI) — Jim Dickson, attempting to become the first blind sailor to cross the Atlantic, fought through storm and waves for a rendezvous with a pilot boat Friday on the way to Bermuda to repair vital equipment and rest from days in heavy seas.

Don McGrath, a member of Dickson's support crew on Bermuda, said he was heading his 36-foot (11-meter) sloop, Eye Opener, through 8-foot waves stirred up by tropical storm Arlene to a meeting with government pilot boat about 28 miles (45 kilometers) from shore.

Dickson started up Eye Opener's engine at midnight Thursday about 58 miles northeast of the island to make the open-ocean meeting, McGrath said. He was expected to arrive in Bermuda by 4 P.M. McGrath said Dickson, 41, was in good spirits and eager to continue his attempt to cross the Atlantic alone.

For the Record

The Soviet national baseball team played its first game Thursday and lost, 22-0, to a Nicaraguan team in the Ukrainian capital of Kiev, Tass news agency reported. Tass said the Soviets "at least managed to prevent the guests from scoring points in two innings." *(WP)*

POSTCARD

A Sip of Breaky Bottom

By Terry Trucco
New York Times Service

LEWES, England — Thirteen years ago Peter Hall, 43, who owns the Breaky Bottom Vineyard here in southeast England, got tired of raising pigs and decided to plant a crop. Strawberries and raspberries were "too boring," he said. So he planted four acres of grapes.

Between 1978 and 1981, only one crop survived the cold English summers, and that yielded just 3,000 bottles of wine. The sun shone long and hard in 1983, giving Hall a bumper crop sufficient for 20,000 bottles. In 1985, the weather turned chilly again and the vines refused to flower. "We got just 1,177 bottles," he said with a sigh.

Last year, however, he was up to 8,000 bottles, and this spring he optimistically planted two more acres (1.8 hectares).

"My mother's family comes from Burgundy, and I've always loved the idea of growing grapes," he said, uncorking a bottle of Breaky Bottom 1983 in his farmhouse kitchen. "I think difficult things are worth doing, and this is one of them."

During the last two decades, Britain has joined the ranks of the world's wine producers, with more than 300 vineyards, all in the south of England and in Wales. Of these, 134 make their own wine.

"The problem is they have to use precocious grapes because of the weather," said Hugh Johnson, author of "The World Atlas of Wine." "But growers here are extremely dedicated, and the wines have improved tremendously in the last five or six years."

With just 172,000 gallons (about 650,000 liters) of wine a year, Britain is not about to challenge the great wine-making regions of France. Yet annual production is now sufficient for this country to be officially recognized as a wine-making nation by the European Community. A few vineyards even export, mainly to West Germany, Singapore and Japan.

"In terms of area, English vineyards have multiplied tenfold in 20 years," said Geoffrey Bond, of the English Vineyards Association. "And there is every sign that they will double in the next 10."

In the old stone barn where he makes his wine, Hall stood before a big fiberglass vat and filled a glass with pale gold seyval-blanc. He also has several vats of unbottled Müller-Thurgau 1986, a slightly more robust white wine. Together with Reichensteiner, these are the most popular English wines.

Almost all English wines are white. Of those, the most popular grape varieties are German (though critics insist that growing conditions have imparted a distinct English flavor). The latitude is the same as the great German wine regions, and the medium-sweet German taste appealed to many of Britain's pioneer grape growers.

Hall's experiences with grape strains seem fairly typical of most small growers here. He began by planting almost all Müller-Thurgau, because of its proven success in England. Hall's Müller-Thurgaus failed to flower. But his tiny crop of seyval-blanc, a French and American hybrid popular in upstate New York, produced abundant fruit after just two years. In 1983 he replaced most of his Müller-Thurgau vines with seyval-blanc. He also keeps a token row of pinot noir as a salute to his French ancestors. "But we could never make red wine here. The sun isn't strong enough, and it's just too cold."

ASIDE from the weather, many believe England to be nicely suited to viticulture. The soil is good; even the chalk found here in Sussex is considered a plus. The cool winters are ideal for the vines' dormant period.

The Romans apparently recognized this early on. They brought grapevines here in the third century A.D. The wine-making tradition died out around the 16th century, when it proved easier to import fine wines from the Continent. In the years after World War II, however, interest grew, sparked by the Hambledon Vineyards of Sir Guy Salisbury-Jones in Petersfield, Hampshire, considered by many to be the modern patriarch of English wines.

Because the industry is new and precarious, English wines tend to be rather expensive, costlier than comparable German wines.

Most small wine makers, like Hall, sell from their homes. Fortnum & Mason, the London department store, and several London wine bars carry Breaky Bottom. The rest of his stock is sold to friends and longtime customers.

Waiting for the Beginning of the End

By Walter Sullivan
New York Times Service

NEW YORK — Hoping to participate in a historic turning of the tide in human affairs — or at least in an unusual communal experience — people across the United States, as well as in some other countries, are planning to watch the sunrise Sunday from sites of great scenic beauty or religious significance.

Chief architect of the gatherings is José Arguelles, of Boulder, Colorado. Citing Mayan and Aztec calendars, he says that Sunday marks the start of a quarter-century in which the Earth may shake itself asunder unless enough of its inhabitants marshal their collective spiritual will or "harmonic convergence" to neutralize the vibration.

The Earth, he says, is seized with a "fever" induced by the arms race and other effects of modern science and technology. He urges a reversion to the Mayan views of the cosmos and of nature, which he believes were far closer to the truth than those of modern science.

Michael Coe, a professor of anthropology at Yale and a specialist in Mayan culture, dismissed Arguelles's predictions as "totally crackpot."

"Pity the poor Mayans," he said. For more than 100 years, he said, "cultists have been deriving all sorts of predictions and occult meanings from their legends."

But many people are expected to act on Arguelles's predictions, set forth in his book "The Mayan Factor — Path Beyond Technology" and widely publicized in astrological magazines. Gatherings are expected at sites that are scenic or revered. Among them are Mount Shasta in California, sacred to local Indian tribes; Niagara Falls; Grand Canyon; Chaco Canyon, New Mexico; and Teotihuacan, the ancient city dominated by pyramids near Mexico City.

In a recent telephone interview, Arguelles said that he knew of plans for observances in many other parts of the world, including a dozen in Australia, notably at Ayer's Rock, which is revered by the aborigines.

According to Arguelles, Sunday marks the beginning of the end of the final epoch in both the Aztec and Mayan calendars.

The present epoch in the Mayan time scale, Baktun 13, ends in 2012. Each Baktun lasts almost four centuries, and many scholars agree that, according to Mayan legend, each previous Baktun has terminated in some form of universal disaster. According to Aztec tradition, Edward Calnek, of the University of Rochester, a leading authority on the Aztec calendar, the world is now living in the Age of the Fifth Sun, the four previous ages having ended in some catastrophe.

One was terminated by a rain of fire, another by a great flood. One was destroyed by a great wind, and another era ended when jaguars devoured everyone. The Age of the Fifth Sun was inaugurated in the Aztec year 13-Reed, or A.D. 1011, when the god-like figure Quetzalcoatl founded Teotihuacan. According to Calnek, the Aztecs believed that the Age of the Fifth Sun would end in great movements of the Earth, or earthquakes.

Arguelles, an art historian trained at the University of Chicago, bases his theories in part on the Aztec belief that their history ran in 52-year cycles. If the world was to come to an end, the Aztecs said, it would do so at the end of such a cycle. And if Quetzalcoatl returned, as they expected, he would do so at such a time.

The year 1519, when Cortes led the first Europeans into Mexico, came at the end of a 52-year cycle. That unnerved Montezuma II, the Aztec ruler, and led many of his subjects to suspect Cortes was Quetzalcoatl, according to Calnek.

Since then, Arguelles reckons, there have been nine 52-year cycles, the last one to end Sunday. The number nine is especially significant, he said, because those early Americans believed there were nine levels of the underworld through which the dead must descend.

Furthermore, Cortes landed on the day the Aztecs called 1 Reed in the year 1 Reed; the date will recur Sunday. Not only may the world be in for trouble but, he says, the return of Quetzalcoatl may be imminent.

Although the meetings have largely been inspired by the predictions of Arguelles, many participants emphasize spiritual revival, rather than fears of world destruction. A New York group says that the goal is "to bless and heal Planet Earth, to unite with all of life, and to raise the human spirit through a single collective human experience."

Arguelles wrote that the "vibratory infrastructure" holding the Earth together "is in a condition of intense fever called resonant dissonance." Influences such as the arms race and insults to the environment could cause the breakup of the Earth "into smaller bodies not unlike the asteroid belt."

This can be averted, he said, by "harmonic convergence" achieved in "a synchronized collective of human beings" through which "the possibility of a New Heaven and a New Earth is fully present." In that new Earth, he said: "The foundations of the mental house imprinted with the names of Descartes, Newton, Galileo and Copernicus will dissolve" and people will live as the Mayans did. "We shall allow ourselves to subsist comfortably in small bioregional groups," he said, "strung together as information nodes on a communications system that has finally dispensed with wires."

Other specialists in Aztec and Mayan culture have questioned Arguelles's theories.

Anthony F. Aveni, of Colgate University, likened them to other "end-of-the-world" movements, many of which were based on predictions of a second coming of Christ or an apocalyptic end of the world and raising of the dead.

Vincent H. Malmstrom, of Dartmouth College, who has specialized in computer analysis of the Mayan calendar, questioned the significance of Sunday, but said Thursday was of special interest, since Aug. 13 was the day the Mayans would begin the 260-day cycle of their religious calendar, a cycle common to all cultures in the Central American region.

Arguelles said in an interview that he was not surprised to find that academic specialists rejected his ideas. They look at the Mayans in terms of the past, he said, whereas he considers them in the context of the present.

His research has been based, he added, on "harmonic mathematics and a galactic perspective." While Baktun 13 does not end until 2012, he said he senses "the buildup of a harmonic wave that will break Aug. 16."

The Associated Press

People in New York's Central Park join hands in anticipation of an historic event.

PEOPLE

Businessman Taking 400 On School Reunion Trip

Delbert Dunmire, a Kansas City, Missouri, businessman who wanted to add "razzle-dazzle" to his 35th high school reunion in Punxsutawney, Pennsylvania, invited the entire Class of '52 on a cruise to the Bahamas and is paying the expenses of more than 400 people. "Everybody needs a piece of the cake once in a while," Dunmire said. Dunmire, 53, the son of a railroad laborer, grew up in the nearby village of Cloe and made his fortune with an airplane parts manufacturing company, after serving time in prison for robbing a bank. He says he always promised himself, "If I ever make it big, I'll come back and do something for my hometown." He showed up for his 30th-year reunion in a Rolls-Royce he ordered especially for the occasion. And he invited many of his classmates — along with every Kansas City resident — to his wedding reception last summer. An estimated 7,000 to 10,000 people showed up.

□

Donna Rice, whose relationship with Gary Hart ended Hart's presidential campaign, was an "action girl" who drifted from one party to another in search of rich or famous men, according to a profile in the latest edition of Vanity Fair magazine. The article said Rice lived for two years with James Bradley Parks, a Florida drug trafficker sentenced to 10 years in prison in 1984. The author, Gail Sheehy, wrote that Hart frequently spent time in Hollywood "hanging out at Warren Beatty's house, sitting by the pool, which was often populated with topless starlets."

□

A former Vietnamese refugee has given 100,000 francs (about $16,000) from the sale of his paintings to a group of doctors who help "boat people." Vo Van Ky, 64, gave Doctors of the World half the proceeds from a recent exhibition and sale of 75 of his paintings. The painter, who has lived in Brittany since 1979, said he was attacked by pirates four times before being rescued as he fled Vietnam with his wife and adopted daughter. Trained at the School of Applied Arts in Saigon, he said he had abandoned his art in Vietnam where "the painter was at the service of power; in France, I paint in total freedom."

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